



Herald Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

The World's Daily Newspaper

R

London, Monday, July 6, 1998

No. 35,875

An Immigration Quandary: The Netherlands Grapples With Its Identity

By Eugene Robinson
Washington Post Service

AMSTERDAM — In this city of winding canals and graceful old buildings, there is nothing remotely picturesque about the neighborhood where Carel Murzius lives and works — a sprawling, modern apartment complex called Southeast, where modern apartment blocks march glumly to the horizon. Parts of the zone are staid but thriving; other sectors, older and grittier, look and feel like a black American ghetto.

What distinguishes Southeast is its status as home to the Netherlands' heaviest concentration of immigrants from the former Dutch colony

Living in Color
How nations manage diversity
First of three articles

Suriname, on the Atlantic shoulder of South America — men and women like Mr. Murzius, 54, who was a government security agent back home and now works at a community center. Nearly 300,000 strong by most estimates, the Surinamese in Southeast and similar neighborhoods in other big cities in the Netherlands pose questions that the nation — like other rich countries throughout the world — is urgently struggling to answer: In a white European country,

can these nonwhite newcomers ever truly blend into the national identity? Can they ever become truly Dutch?

Or is it another process that takes place: Is the host society fundamentally changed by their presence, like it or not?

For Mr. Murzius, the answers are complex. "I am still Surinamese," he said on first reflection. But later, he added: "The Dutch don't see me as an outsider." Then later: "Holland is a white country. The Dutch are your friends, but they still tell you, in effect, 'You can approach to this point, but no further.'"

And finally: "I think we are changing Holland."

These questions of assimilation are increasingly important, not only here in the Netherlands but in the rest of Europe and much of the industrialized world. Rich countries that once were overwhelmingly white have suddenly become much more racially diverse, mostly because of a flood of immigrants from poorer countries — former colonial subjects, refugees from war zones, economic migrants looking for opportunity, "guest workers" who will do the jobs that native Europeans find unsavory.

The transition has often been wrenching. Some native-born residents see the complexion of their country changing before their eyes, feel the culture shifting beneath their feet, and become re-

sentful. Many immigrants feel unappreciated and unwelcome, seeing the attempt to fit into their new societies as a constant struggle.

The question of a nation's sense of itself is particularly important in the Netherlands, Germany and other European countries, where nationality has long been based on shared ethnicity, shared "blood" — unlike the United States or Canada, for example, which view themselves as nations of immigrants.

The fact of increasing diversity can be seen in the World Cup soccer tournament, where European powers have fielded teams with many black

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Sampras Wins 5th Wimbledon Title



Pete Sampras hitting an overhead smash against Goran Ivanisevic on Sunday in the men's singles final at Wimbledon. Sampras won in five sets. It was his first Grand Slam title in a year. Page 20.

Military Presence Stops Ulster March Without Violence

Orangemen Disperse After Show Of Defiance Before Barbed Wire Blocking Entry to Catholic Street

By James F. Clarity
New York Times Service

PORTADOWN, Northern Ireland — The British government deployed hundreds of army troops and policemen Sunday to prevent several thousand Protestants of the sectarian Orange Order from marching, as it had since 1807, through the small Roman Catholic enclave of Drumcree in this town west of Belfast.

The government acted to prevent sectarian clashes between the Catholic minority and the Protestant majority in this predominantly Protestant province.

Most of the Orangemen, wearing black suits and orange sashes, dispersed after one of their leaders walked up to a huge concrete roadblock and spoke a message of protest through a high chain fence blocking the road to the Catholic area along the Garvaghy Road. But there was no one on the other side to listen, and no violence followed.

The government feared that the march might lead to rioting and vandalism, as it did in the last three annual parades here. Widespread violence could endanger the development of the recently approved peace agreement that is to enact drastic political reforms that will give Catholics more power in the North.

The government was clearly gambling that this year would be different, that Protestants, many of whom voted for the peace agreement in a referendum in May, would be less angry at Catholics and the government now than in 1996.

Then, a government ban on the march was announced and enacted for several days, before the decision was reversed because Protestant rioters wreaked millions of dollars of property damage. The Protestant violence and the decision to let them march provoked retaliation by Catholics.

"Only God will save us," said the parish priest of the Drumcree Protestant Church of Ireland, the Reverend John Pickering. He spoke to the congregation before it left the church to confront British officials.

But no officials, not even a soldier or a policeman, were at the roadblock.

"This is a total disgrace," said Harold Gracey, head of the local Orange Order. "We will stay here until we are allowed our legitimate right to walk on the road."

An hour after he spoke, most Orangemen had left the area, but some set up a British Union Jack and a white Ulster flag at a site facing the security

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Portadown Orangemen standing before a roadblock Sunday that halted their annual march.

East Asia Leans to Risky Economic Shift

Price of Reinvigoration May Be Inflation and Weakening of Currencies

By Michael Richardson
International Herald Tribune

SINGAPORE — In a major shift of policy, an increasing number of East Asian countries are considering highly risky measures to reinvigorate their economies.

Officials and analysts said Sunday that these measures seemed likely to be adopted even at the risk of further weakening local currencies, igniting inflation and deterring foreign investment.

As economies slow more sharply than expected in almost every East Asian country, driving up unemployment and

swelling the ranks of the poor, governments are turning away from austerity policies prescribed by the International Monetary Fund to strengthen their currencies and revive investor confidence as financial turmoil in the region intensified in the second half of 1997.

Indeed, officials and analysts said that the IMF itself — under pressure from its sister organization, the World Bank and other critics to adopt a less stringent approach — is going along with the moves to spend more government money and ease the high interest rates choking industry and trade in the three hardest-hit East Asian countries under its care, In-

donesia, South Korea and Thailand.

South Korea, Thailand, China, Hong Kong and Malaysia have recently reduced interest rates. Together with Singapore, they have also increased government spending.

This has put added pressure on Indonesia and other countries to follow, analysts said.

In the region's latest step away from strict austerity, the South Korean Finance Ministry announced Sunday that it had approved a big rise in the budget deficit and a cut in consumption taxes so

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In Rural Japan, Pork-Barrel Politics

By Nicholas D. Kristof
New York Times Service

KOCHI, Japan — All the world seems to be thumping on Japanese politicians these days, trying to get them to restructure the economy and reduce the risk of a global downturn. But here on the campaign trail, the message to the politicians is different.

When candidates for parliamentary elections next Sunday stump in towns like Kochi, a pretty coastal hub of 320,000 surrounded by coves of

weathered fishing boats, the message that politicians get — and the one they echo — is Japan's need for more of the same.

The issues here have less to do with economic policy than with pork: the allocation of government funds to local projects.

Japan's prime minister is unclear on permanent tax cut. Page 13.

ility of an official to pick the pocket of the central government and build roads, bridges and dams. When the topic of economic liberalization comes up, it is

often as an evil force to be constrained.

"We Japanese can't eat meat three times a day," Hiroyuki Morishita, the candidate for the governing Liberal Democratic Party in the Kochi area, told an audience in the Fishermen's Center in the little town of Nakatosha, in a swipe at the government's willingness to liberalize meat imports. "I would like to respect the culture of fish! I want to protect fishermen!"

Another local politician already

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The Fault, Dear Germany, Lay in the Croatian Stars

World Cup Dark Horse Reaches a Gallop

By Jere Longman
New York Times Service

SAINT-JEAN D'ARDIERES, France — Five hours before the stunning 3-0 victory over Germany in the World Cup, the flamboyant coach of Croatia received a two-page fax at the team's chateau in the Banjolic wine region. Miroslav Blazevic has a fondness for cigarettes, chocolates, water-bellies and astrology. The fax came from his astrologer in Zagreb.

"I only read to him the three most positive sentences," said Darko Tironi, the team's press officer. "It said Berti Vogts and the German 11 were going to have big problems."

That they were. Forty minutes into the game Saturday, the German defender Berti Vogts was given a red card and ejected for a late tackle. Vogts stood helplessly on the bench while his short-handed team was shredded by a Croatian counterattack that will now attempt to out-muscle France in the semifinals on Wednesday.

Croatia gained its independence from Yugoslavia only six years ago, and is participating in its first World Cup, yet Croatia, with a mere 4.7 million residents, has now joined three traditional soccer powers, France, Brazil and the Netherlands, as a remaining team with a chance to win soccer's world championship. Not since Portugal in 1966 has a team advanced this far in its first appearance in the World Cup.

A perfect sports weekend for Croatia was spoiled Sunday when Goran Ivanisevic lost to Pete Sampras for the Wimbledon tennis championship. Still, the soccer team is alive. Saturday's victory over Germany ranks among the great athletic achievements in the fledgling Balkan nation that include a gold medal in team handball at the 1996 Summer Olympics, a silver medal in basketball provided by Toni Kukoc and Dino Radja at the 1992 Summer Games and the 1997 women's tennis title won by Iva Majoli at the French Open.

"Four million people is a small town in the United States," said the mid-fielder Aljosa Asanovic, who can be forgiven for his hyperbole. "But my country gives a very big result. Small country, big players, very big players. Maybe the best in the world."

Franjo Tudjman, the president of Croatia and a huge soccer fan, had lunch with the team here before Saturday's match 30 miles to the south in Lyon. "He put the pressure off," said defender Slaven Bilic. "He said we were already knights of Croatia."

Afterward, Tudjman visited the team

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AGENDA

U.S. Won't Back a Certification of Iraq

WASHINGTON (Reuters) — The U.S. ambassador to the United Nations, Bill Richardson, said Sunday that the United States would oppose as "very premature" an expected move in the UN Security Council to certify that Iraq has met its obligation to scrap its nuclear weapons programs.

"We want Iraq to answer more questions on nuclear design, nuclear exports and uranium technology," he said in a television interview.

Mr. Richardson also took a hard line against reported growing pressure from top aides to the UN secretary-general, Kofi Annan, to relax

economic sanctions imposed on Iraq after its 1990 invasion of Kuwait.

Meanwhile, Iraqi health officials charge that depleted uranium used by the United States during the Gulf War is causing cancer there now. Page 9.

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Royal Rumor on Czar's Burial

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The III Online... www.iii.com

billed as "the World's Most Famous Beach."

"It's pitiful out here," said Sam Nichols, who manages a beach-buggy rental company, looking out on sands sparsely populated with bathers and wearing a surgical mask because of the smoke. "This is like an off, off, off day, nothing like the Fourth of July."

A few miles to the west, north and south, the wildfires that have dominated life on Florida's upper east coast for more than two weeks ate away at the parched woodlands and pastures, blocking roadways and sometimes consuming homes. With such danger and heartache close by, it was hard for anyone here to enjoy what is normally one of the wildest holidays of the year. Most tourists just stayed away.

Those who did venture out found themselves smeared with ashes as well as suntan oil. A black line of soot marked the sand where the high tide had come in. Burned leaves floated in swimming pools. One man swore the seawater tasted like charcoal.

It may not have been a festive Fourth of July weekend here in the fire zone, but it was certainly a memorable one.

Houlihan's Irish Sports Pub, normally filled with the carefree, was

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A woman sifting through the debris of her in-laws' house in Volusia County, Florida. Parts of the state have been devastated by wildfires.

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THE AMERICAS

Senator McCain Finds Smoke Gets in His Eyes

Tobacco Lobby Dims His White House Chances

By Dan Balz
Washington Post Service

WASHINGTON—Some politicians can only imagine the negative advertisements that will be broadcast against them if they run for president.

Senator John McCain has already seen them.

They came in the \$40 million lobbying barrage financed by tobacco companies and other opponents of "the McCain tobacco tax bill" that was blocked in the Senate last month.

When Senator McCain, Republican of Arizona, appeared on radio talk shows in Arizona or spoke in other states, he could hear echoes of the tobacco industry attacks from Republicans disillusioned by his sponsorship of a bill that would have raised the price of cigarettes by \$1.10 a pack.

"On talk shows, people would call up and they would unwittingly parrot those," the senator said.

"What's happening to you, John McCain?"

There wasn't any doubt in his mind, Mr. McCain added, that the tobacco battle has had a "significant effect" on his image as a conservative.

Senator McCain has been lionized in the media and elsewhere for his battles to reform campaign finance laws and reduce teenage smoking. But the past few months have been unusually difficult for him. The tobacco bill alienated members of his own party and blew up to his face.

A tasteless joke he delivered at a Republican fund-raiser damaged his good-guy image and prompted an abrupt apology to President Bill Clinton and his family.

As he looks toward re-election this fall and to the possibility of a presidential campaign in 2000, Mr. McCain must confront the question of whether a Republican who has battled his party so vigorously over the past two years can run around and successfully seek its presidential nomination.

The tobacco fight has had "a sobering effect" on his thinking about a presidential campaign of his own in 2000, he says.

"I don't have time to do things for the sake of a gesture," he said during an interview in his office shortly before Congress left town for its July recess.

"I've got too many things to worry about and do. I've been in office for 16 years. That is time to establish my credentials. If people want to question those credentials, they have every right to do so."

Mr. McCain never expected to be in this position. A few months ago, he had skillfully managed to move the tobacco bill out of the Senate Commerce Committee that he chairs on a 19-to-1 vote.

Once on the Senate floor, however, the measure was quickly transformed into the "Second Coming" of Mr. Clinton's national health care plan—a big government proposal that would boost taxes and enlarge the federal bureau-

cracy.

Republicans ferociously turned against the bill and its sponsor. Among the leaders of the opposition was Senator John Ashcroft, Republican of Missouri, who also may run in 2000. He told cheering Iowa Republican activists: "Washington is more addicted to taxes than smokers to nicotine. It's time for our party to say no more taxes, period."

It is the kind of line that may be heard again, should Mr. McCain run.

Senator McCain has taken the defeat hard, defending what he called his "solid record of support for lowering taxes and opposing wasteful spending" while lashing out at the tobacco industry and his own party in op-ed pieces.

Mr. McCain long has had a reputation as a Republican with a streak of independence.

He pushed for a gift ban in Congress, fought against Pentagon "pork" and supported Mr. Clinton in normalizing relations with Vietnam, where he was held six years as a POW.

Some Republicans see in Mr. McCain an ideal blend of attributes for someone interested in national office. Said one veteran strategist: "He is for a strong national defense and against pork-barrel spending; he's willing to stand up to the tobacco industry; he's taken on campaign finance. He's still got time to develop a strong moral issue or two. That's a pretty good basket of goods to launch a national campaign."

Will He or Won't He? Bets Shift on Clinton's Testifying About Intern

By Peter Baker
Washington Post Service

WASHINGTON—In the weeks after the Monica Lewinsky investigation began, George Stephanopoulos cast a skeptical eye on the doings of his former boss at the White House.

But there was one thing Mr. Stephanopoulos seemed certain about: President Bill Clinton would eventually testify and tell his side of the story about the former White House intern.

"He knows he can't get away with that and not testify," the former presidential adviser turned television news commentator said on ABC a couple of weeks after the scandal broke in January.

"He knows that he can't avoid testifying in this case because the political damage would be huge," Mr. Stephanopoulos added a month later.

But Mr. Clinton, it appears, knows nothing of the sort.

Whatever faith he once placed in Mr. Stephanopoulos's judgment, the president has apparently calculated that he can avoid testifying without huge political damage—and so far he has.

President Clinton has rebuffed about a half-dozen invitations from Kenneth Starr, the independent counsel, to ex-

plain under oath his dealings with Ms. Lewinsky.

And now, with the president back from a nine-day trip to China that gave him a respite from the Lewinsky controversy, his advisers seem unified around a strategy of refusal to testify.

In public remarks, Mr. Clinton's advisers maintain that no final decision has been made. But in private, they have reached a consensus that the public will not erupt in anger if the president declines to talk with Mr. Starr, and the advisers believe there is little to gain legally in volunteering testimony that could be used against Mr. Clinton.

"The decision is already made but not set in concrete," said a Clinton ally who asked that his name not be used. "I can't think of a single reason for him to testify."

"You don't need to convince your own people, and there's not enough you could ever do to convince your doobers."

So far as is publicly known, Mr. Starr has simply asked—out of a compulsion to answer questions about whether he had tried to cover up a sexual relationship with Ms. Lewinsky.

But with Linda Tripp, the colleague who tape-recorded Ms. Lewinsky, now

telling her story to a grand jury and Ms. Lewinsky negotiating a deal to do the same in exchange for immunity, Mr. Clinton is virtually the only major witness left.

A confrontation could be looming. The standoff between Mr. Starr and Mr. Clinton raises thorny issues, both political and constitutional. How would the country react if a president of the United States refused to testify, especially one who had promised to tell "more rather than less, sooner rather than later" about his relationship with Ms. Lewinsky?

Does Mr. Starr have the legal authority to subpoena a president who declines to cooperate? If he tried, how would the independent counsel enforce such a subpoena, and what could he do if President Clinton defied it?

Mr. Clinton has testified under oath several times during his presidency—in a deposition in the Paula Jones civil case on alleged sexual harassment and as a witness in Mr. Starr's Whitewater inquiry.

But no president has been forced to testify in an investigation in which he was the central target.

For months, it was a given in Democratic circles that Mr. Clinton would ultimately cooperate.

Mr. Stephanopoulos was not the only one who made that assumption. In May, the House minority leader, Richard Gephardt, Democrat of Missouri, when asked during a television interview whether Mr. Clinton would testify, said: "I would think he would."

Mr. Stephanopoulos now has changed his mind, saying he believes

to fixing problems that might seem more pressing than Chinese rights or rockets. (NYT)

After China, Juice Is the Thing

WASHINGTON—After a long trip to China that his aides believe strengthened him against the Republican Congress and Kenneth Starr, the independent prosecutor, President Bill Clinton returned home over the weekend and immediately took to the air waves on a domestic issue.

In his weekly radio address Saturday, Mr. Clinton did not focus on China. Instead, he announced new regulations to increase the safety of fruit and vegetable juices.

As in the past, Mr. Clinton dropped his foreign trip cold when he touched American soil and turned to domestic policy. His aides planned events on health care, drugs and juvenile crime to remind voters of the president's devotion

Candidates Take On Classrooms

WASHINGTON—The hottest political issue around, if campaign commercials are any guide, may be too many students in America's classrooms.

As the midterm elections begin to heat up, candidates across the country are filling the airwaves with shots of smiling schoolchildren and promises to reform education. With the economy booming and crime receding, concern about public schools has rocketed to the top of many campaign agendas. (WFP)

Independence Day, When Americans March (or Eat and Wave) to Their Own Drummers



Hirofumi Nakajima, second from left, retaining his championship in a hot-dog eating contest at Coney Island. He wolfed down 19 in 12 minutes.



June Arnold, attired in red, white and blue, adjusting some of the nearly 200 U.S. flags she flies each year in her front yard in Dallas.

POLITICAL NOTES

Away From Politics

• A CIA report on how to prevent future intelligence miscalculation says the agency needs to find ways to make sure that cootarian views are heard. (AP)

• An appeals court has ruled that it is illegal for the government to promise leniency to witnesses in exchange for testimony. This could help Timothy McVeigh in his appeal of his conviction in the Oklahoma City bombing. (AP)

• Livestock owners around Yellowstone are going to court to have gray wolves removed from the national park, three years after their introduction. (APF)

BOOKS

RAT PACK CONFIDENTIAL: Frank, Dean, Sammy, Peter, Joey and the Last Great Showbiz Party

By Shawn Levy. 344 pages. \$23.95.

Doubleday.

Reviewed by Carolyn See

SHAWN LEVY can't make up his mind about the people he's writing about. One minute he's falling all over himself telling you how great they are; the next he's chucking like a cackling but salacious schoolmarm, making up lists of women (and the occasional heterosexual man) those Rat Pack people slept with, or making up sentences where the nouns "boozie" and "broads" figure prominently (as if most American men never touched alcohol or sullied their chastity by having sex with a female).

This is strange journalism, and the word "confidential" is aptly added here to the title. This narrative has the taint of the whiff of the old Confidential magazine—lip-smacking disapproval, ill-concealed delight at how the mighty have fallen.

Paradoxically, it is fun to read. Even if we think we've heard every last drooling detail about Sinatra's ties with the mob and President Kennedy and Marilyn Monroe, it's still pleasing to read transcripts of Sam Giancana whining to some stooge about how a favor is a favor, and why can't Sinatra deliver the president over to the mob in some cellophane-wrapped package.

Certainly we've all heard more about

Sinatra's fabled bad temper than any of us ever need to hear, but it's still kind of a kick to read that back in the early '60s, two days before a highly hyped presidential visit to the Sinatra compound in Palm Springs, the Kennedys uncereemoniously dumped the singer and decided to visit Bing Crosby instead. Sinatra, beside himself with rage, took a sledgehammer and spent most of the day destroying—or trying to destroy—the slab that had been poured for the landing of the presidential helicopter.

This Rat Pack fairy tale seems so strange, though. Why is it we're supposed to be reading about it? What is it we're supposed to be learning? What is it we're supposed to be titillated by? Frank Sinatra was a singer and an actor, darling when he was young—less so as he got older. Dean Martin was a singer, the one my stepfather used to watch in an appreciative, "boozie" haze; Sammy Davis Jr., a talented tiny tap dancer who once hugged Nixon around the waist; Joey Bishop, a sour comedian, and Peter Lawford, a harmless-seeming actor. They got to be friends and they performed together.

I guess what I'm asking is: Why does it seem necessary to have an opinion about it/Them/The "Pack"/Whatever? Quite literally, what is the big deal?

The Pack had ties to the mob, and the mob murdered people, but a querulous mobster can hardly hold a candle these days to a disgruntled postman or an alienated high school kid in this great land of ours. Crime? People got killed from time to time, and Sinatra (maybe)

knew some of the killers. So?

The Rat Pack made lots of money, some of them. The Rat Pack had lots of sex. Lawford in particular went around with towels, a change of clothes and bottles of mouthwash in the back seat of his car. What's the correct response to that? Are we supposed to snicker? Snack our lips? Report it to the Great Schoolteacher in the Sky? Sex isn't that unheard of on the face of this Earth, after all. Every single one of us is here because of somebody else's sexual act.

Maybe it's because five men could stay friends over a period of years—though, of course, they all got sick of each other after a while. Maybe it's because they pushed a retro Playmate-style male fantasy to its very limits. How long can I stay up after bedtime, how many girls can I have (on my terms, so that they have to be "broads"), how much can I drink, how crabby can I be and still be tolerated by the public?

The Beatles changed everything in American popular culture; the notion of masculine fun in "Ocean's Eleven" got turned pitilessly inside out by "A Hard Day's Night."

Could it have been that some of the guys in the Rat Pack weren't smart enough, that threatening to have people's legs broken just wasn't witty enough, that mouthwash in the back of the car was finally and terminally too uncool for words?

Carolyn See reviews books regularly for The Washington Post.

BRIDGE

By Alan Truscott

AT the final of the International Team Trials in Tunica, Mississippi, the team headed by Jim Cayne of Manhattan led by 21 imps, after 30 deals of a scheduled 120, against a group headed by Nick Nickell of Manhattan. At stake was the right to be one of two teams to represent the United States in the next Bermuda Bowl world championship, scheduled in Bermuda in January 2000.

With one exception, this is a Nickell team that has won a bunch of national titles and one world championship in the last five years. Bob Hamman, Dick Freeman, Eric

Rodwell and Jeff Meckstroth have been joined by Paul Soloway, who has replaced Bob Wolff. In the semifinal they won by 81 imps against Richard Schwartz of Elmhurst, Queens, and his team.

In the other semifinal, the Cayne team, which consists of Chuck Burger, David Berkowitz, Larry Cohen, Mike Passell and Michael Seamon, was equally convincing, winning by 118 against a foursome led by Bart Bramley of Chicago.

On the diagramed deal, Hamman as South brought home a shaky four-spade contract with a little help from the defense. Soloway, North, might have raised spades immediately over the weak jump overcall in diamonds, but

chose to pass and then jump to game when his partner reopened with three hearts.

Hamman won the opening heart lead with the ace, and faced a guess in clubs. To have a good chance, he needed East to have the spade king. And if that player held the club ace in addition to the two major-suit kings, he might have been heard from in the bidding. So South led a club and put off dummy's king when West played low.

Convinced that the opening lead was a singleton, he led the heart six from dummy and took a very deep finesse. West ruffed, and underled his club ace. East won with the queen, but instead of playing a third heart, scoring West's

trump jack and putting the defense in control, East shifted to his singleton diamond.

NORTH (D)
♠ 10 6 4
♥ 8 2
♦ A 8 5 3
♣ K J 10 3

WEST
♠ J 7
♥ Q
♦ K J 10 7 6 5 4
♣ A 8 7

EAST
♠ K 9 5
♥ K 10 5 4 3
♦ Q 2
♣ Q 6 5 4

SOUTH
♠ A Q 8 3 2
♥ A J 9 7 5
♦ Q
♣ A 9 2

East and West were vulnerable.

The bidding:
North East South West
Pass Pass 1 ♠ 3 ♠
Pass Pass 3 ♠ Pass
4 ♠ Pass Pass Pass

West led the heart queen.

Cindy Crawford's Choice



Constellation
Stainless steel with diamond-set bezel.
OMEGA—Swiss made since 1848.

Omega—my choice Cindy Crawford

Ω
OMEGA
The sign of excellence

http://www.omega.ch

EUROPE

German Far Right Captures a Mood That Begins to Affect Other Parties

By William Drozdiak
Washington Post Service

MUNICH—When the far-right German People's Union came out of nowhere to capture nearly 13 percent of the vote in Saxony-Anhalt state elections two months ago, the governing Christian Social Union here in Bavaria, Germany's largest state, did not waste any time in covering its flank.

Even though Bavaria boasts one of Germany's lowest crime rates, the Christian Social Union, the sister party of Chancellor Helmut Kohl's Christian Democrats, launched a "security initiative" that will seek to expel all foreigners guilty of serious crimes. It also stepped up searches for illegal immigrants and spent \$50 million to equip its 30,000 police officers with laptop computers linked to mobile telephones.

State Premier Edmund Stoiber began escalating his attacks against the 15-nation European Union, saying Ger-

many would no longer tolerate being the "milk cow" that nourished its neighbors. "We are paying more into the EU budget than all of the other members combined. That is neither fair nor acceptable any more to the German people," he said to loud applause at a party congress.

Less than three months before national elections, the Christian Social Union's sharp turn to the right has been endorsed by Mr. Kohl and other Christian Democrats as they struggle to make up lost ground in a bitter campaign. The opposition Social Democrats enjoy a six- to eight-point lead in the polls and hope to terminate Mr. Kohl's 16-year reign by replacing him with Gerhard Schröder, their telegenic centrist candidate.

The tactical shift may also illustrate an important change in the national mood. For years, Germany maintained an open door for refugees and an open wallet for its EU partners. It plays host

to 7 million foreigners—more than any other European country—and contributes nearly 70 percent of the EU budget.

But many Germans appear to believe they can no longer afford such generosity. Confronted by record high unemployment of close to 5 million, they are clamoring for a higher priority to be placed on national interests. And the sharp rise in protest votes for the extreme right reflects dismay, especially among eastern voters, that the mainstream parties have neglected them.

"We have touched a nerve in the population," said Gerhard Frey, the millionaire publisher who heads the far-right German People's Union. "In France, Italy, Denmark, everywhere the right wing is entering politics and shifting the mainstream body politic to the right. Those who grieve our success in Saxony-Anhalt must realize that our demands to protect German jobs have received huge support."

Indeed, the growing strength of the far right across Europe is prodding governments to adopt tougher policies toward foreigners and more skeptical attitudes toward Continental unity. In France, Austria and now Germany, there is heated debate whether the mainstream parties, by moving to the right on Europe, immigration and other issues, will legitimize xenophobic and nationalist sentiments or help minimize the influence of extremist parties by co-opting their ground.

"The success of the extremists is based on being the anti-party," said Ralf Dahrendorf, one of Germany's most renowned sociologists. "The problem is many citizens are convinced that the major parties strive to avoid problems rather than solve them. Young people, especially, now see them as weak, even irrelevant organizations."

For many years, the extreme right in Germany exerted little political influence. With its votes splintered among

three parties—the German People's Union, the Republicans, and the National Democratic Party—the far right has never managed to cross the 5 percent threshold required to hold seats in the national Parliament.

Germany's Office for the Protection of the Constitution, which monitors extremist movements, concluded in its latest report that the far right still remains badly divided in the absence of a charismatic figure who can unite it. But it also warned that the support base for right-wing extremism in Germany has grown dramatically in recent years.

What is clear is that frustration with protracted joblessness, especially among young people, is spawning a generation of angry and alienated voters susceptible to the scapegoating by extremist parties. Their message is simple: Foreigners are stealing jobs from Germans, bilking the nation's generous social welfare system and spreading crime.

In addition, the far right has seized on anxieties about the revolution in global markets that many Germans fear will deprive them of lifetime jobs with long vacations, short working hours and cradle-to-grave social protections. They also worry that replacing the Deutsche mark with a single European currency will further undermine their living standards by siphoning capital toward cheaper-wage areas in Europe.

"The old far right drew support from active heirs of the Nazis, many of them older and from the middle class," said Hans-Gerd Jaschke, a political scientist in Berlin who has conducted extensive research among Germany's far-right voters.

"Today, the supporters are mainly young men who are afraid of losing their jobs."

Mr. Frey claims that "voting right-wing for young people in Germany today is now part of their culture, like techno music and rollerblading."

BRIEFLY

Swiss Leader Asks U.S. to Bar Boycotts

ZURICH—The Swiss president appealed to the U.S. government Sunday to block boycotts threatened against Swiss banks over Holocaust-era assets, amid fears such sanctions might provoke a trade dispute.

President Flavio Cotti said that Switzerland wanted a clear sign from Washington. Boycotts have been threatened by some U.S. state and local governments against Swiss banks.

Such actions, designed to force the banks to settle Holocaust-related class action suits, are seen as risking a wider boycott of more Swiss companies with major business interests in the United States. (AFP)

Turkish Military Backs Secularism

ANKARA—Turkey's top army officer insisted Sunday that the military was determined to combat Islamic fundamentalism, in what was seen as a public rebuke to Prime Minister Mesut Yilmaz.

The army chief, General Ismail Hakkı Karadayı, said that the role of the military, which has always considered itself the guarantor of Tur-

key's secular status, was to uphold constitutional order "against all dangers." (AFP)

NATO Air Exercises Held Over Slovakia

SLIAC, Slovakia—Servicemen from eight NATO countries and 12 members of the alliance's Partnership for Peace program kicked off air exercises Sunday over Slovakia.

The maneuvers will simulate humanitarian and peacekeeping operations. The exercises will continue until Friday. (AFP)

Power Plant Dispute

VIENNA—Slovakia's move to bring on stream a controversial nuclear power station was criticized Sunday by Austria's consumer protection minister and by the environmental pressure group Greenpeace.

Greenpeace called on Austria to break off talks with Slovakia. (AFP)

For the Record

Russian coal miners kept up pressure Sunday on the embattled government by blocking the Trans-Siberian railway for a third day to protest economic conditions. (Reuters)

Germany Copes With a Wave of Clumsy Extortion

By Edmund L. Andrews
New York Times Service

FRANKFURT—The extortionist wanted his demand taken seriously, but apparently did not want to hurt anyone.

So when he slipped jars of marmalade laced with rat poison into supermarkets in Luebeck earlier this year, he attached labels that read: "CAUTION: POISON."

Last month, prosecutors in Luebeck charged a 48-year-old architect with trying to extort \$600,000 from the marmalade maker, Schwartauer Werke.

Extortion attempts have engulfed Germany in one of the oddest crime waves that Europe has seen in years. The police es-

timate that there have been 120 cases in the last year, with two or three new ones every week. German subsidiaries of Nestlé SA are receiving about a dozen threats a year. Supermarket chains, food producers and cosmetic companies have all been targets.

"I am sorry to say that Germany is the world leader in this type of crime," said Klaus Ruthe, a partner at Control Risks International, an industrial security firm.

German consumer-products companies are starting to use tamper-resistant packaging, but many products remain exposed.

The crime wave seems to be dominated by nervous amateurs rather than hardened felons. About two-thirds of

the extortion attempts stop after the first threatening letter. Extortionists who have tried to ratchet up the pressure by placing poisoned products in supermarkets have sometimes told companies where to look for them.

Few of the suspects arrested in the last year have had criminal backgrounds. Police officials described several as bankrupt business people and one as a law student.

"These are people who aren't comfortable with causing physical harm," said Juergen Schmidt, the head of criminal investigations in Gifhorn, a small city in Lower Saxony, who has dealt with three cases in the last six months. "With ex-

tortion, you don't have to threaten the people personally. It's a form of criminality that doesn't require a professional."

Because a handful of poisonings could be enough to cause panic and cost a company millions of dollars in lost sales, individuals with few resources have the power to pose a threat. But most of the schemes collapse when it comes to collecting money.

"Anybody can write a letter or make a phone call," said Isabella Hoelper, a spokeswoman for Maggi GmbH, a subsidiary of Nestlé that makes packaged soups and other products. "But the police tell us that if it comes to a transfer of money, they can catch them every time."

Czech Arch-Rivals Meet on Forming a Coalition

By Peter S. Green
International Herald Tribune

PRAGUE—Two weeks after the Czech electorate split its vote between left and right, talks have begun on a tacit coalition that would see a minority government of Milos Zeman's leftist Social Democrats govern with the support of their arch-rivals, the rightist Civic Democratic Party of former Prime Minister Vaclav Klaus.

Such a government would do little to reform the stagnant economy and pre-

pare the country for membership in the European Union and NATO, analysts say. Instead, Mr. Zeman said Friday, one of its chief aims would be to change the country's electoral system, replacing proportional representation with a first-past-the-post system to sweep away smaller parties, and hold new elections.

But analysts also warn that the left-right accord may, in fact, be little more than a tactical move by Mr. Zeman to pressure two recalcitrant centrist parties to join him in a majority government.

President Vaclav Havel vehemently

opposes a Klaus-Zeman deal, and is still trying to convince the reformist Freedom Union to reconsider joining a government that would include Social Democrats and the centrist Christian Democrats. Mr. Zeman is to report to Mr. Havel on Thursday on his progress.

A Klaus-Zeman agreement would do little to solve the country's pressing economic and political problems, said Jiri Pehe, Mr. Havel's political adviser, because its sole aim would be to secure power for the two largest parties.

"It wouldn't be good for this country," Mr. Pehe said. "It won't be able to move things ahead. It will just sweep them under the carpet." Its first casualty, he said, would be any clean-up of the rampant corruption that helped bring down Mr. Klaus last November.

After five years as prime minister, Mr. Klaus resigned when the Christian Democrats and senior members of his own party left the government over charges that the Civic Democratic Party had taken payments for favors in the post-Communist privatization process.

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الهرالد التريبيون

INTERNATIONAL

For Childless Couples, Strict Taboos

With Japan Forbidding Donor Eggs, Culture Limits Other Options

By Mary Jordan
and Kevin Sullivan
Washington Post Service

TOKYO — The young couple wanted a child, but the woman could not get pregnant. So her doctor took eggs from her sister, fertilized them with her husband's sperm and implanted them in her womb.

Nine months later, she gave birth to twin boys. And for performing that successful in vitro fertilization, the doctor was expelled by Japan's leading obstetric society June 27. Some doctors also want his license revoked.

Although Japan is in the midst of an alarming decline in its birthrate and fertility problems are rising, many people are reluctant to use the medically assisted reproductive techniques dooe every day in the United States and other advanced nations.

A Japanese gynecologist, Yaihiro Netsu, said he implanted the woman's sister's eggs, a forbidden procedure some here refer to as "extramarital fertilization," because it was time that Japan joined the rest of the world in helping couples have children.

"I am ashamed and angry that the Japanese government shuts their eyes to this issue," Dr. Netsu said. Many couples must go to the United States for these relatively common procedures, he added.

Only last year did Japanese medical regulations begin to allow a third party to donate sperm, but regulations still forbid the use of donor eggs. Many doctors and patients here say that standard is hypocritical.

Dr. Netsu is the first doctor in Japan to admit he helped a couple give birth using donor eggs, and he has touched off a national debate that at its core is over Japan's ambivalence about using the latest technology on ancient matters of life and death.

Japan began to allow a limited number of organ transplants only last year, and it is the only major country that still outlaws the birth-control pill.

About 15 percent of couples in Japan have fertility problems — about the same as in the United States.

Perhaps the most famous couple in the country, Crown Prince Naruhito and Crown Princess Masako, who celebrated their fifth anniversary last month, have yet to produce an heir to the world's longest royal dynasty.

Their apparent difficulties are much discussed and have helped focus attention on a problem that some people still believe is too private and taboo to discuss publicly.

Some of the reluctance to use a donor

egg or sperm is concern that the baby would not be seen as the couple's own flesh and blood and would be discriminated against, even shunned, as he or she grew up.

"It's a matter of chance for people to bear babies, and it can be counterproductive to get caught up in artificial methods," with a low success rate, said Yoshiaki Sawada, a doctor who runs a busy fertility clinic in Tokyo.

Dr. Sawada often sees 70 women a day, and he rarely recommends in-vitro fertilization or artificial insemination. He says that a focus on the woman's overall health, even proper posture, are the most desirable methods for helping her conceive.

"There will probably come a time when surrogate mothers or donor eggs are permitted," Dr. Sawada said. But he said children born by such means would be "semi-orphans" who might have trouble being accepted in Japanese society. There would be a feeling, he said, that "the child does not belong."

That sense that the baby would be marked as different, even a freak, is a real fear. The identity of the couple that Dr. Netsu helped has been kept secret for just those reasons.

"Maybe it is wrong to try that hard," said an office worker, Sumiko Yamazaki, 24. "Maybe it's better not to have a child." Her co-worker, Kiyoe Okamoto, 22, said she has an inherent distrust of using donor eggs or sperm.

"I am scared of being given the wrong sperm," she said. "If I was 100 percent sure it was my husband's sperm, I might do it, but I would keep it secret from others."

The two young women spoke as they

ate lunch at the 180-year-old Suifeng Shrine in Tokyo, where people come to pray for solutions to their fertility problems. The chief priest, Shigeru Ueda, said that 15 years ago, hardly anyone came to pray to be able to conceive a child. But the numbers have shot up, and more than 1,700 couples visited on a recent day.

In interviews with a dozen women at the shrine, nearly all said they felt prayer was preferable to doing anything "artificial" to promote childbirth.

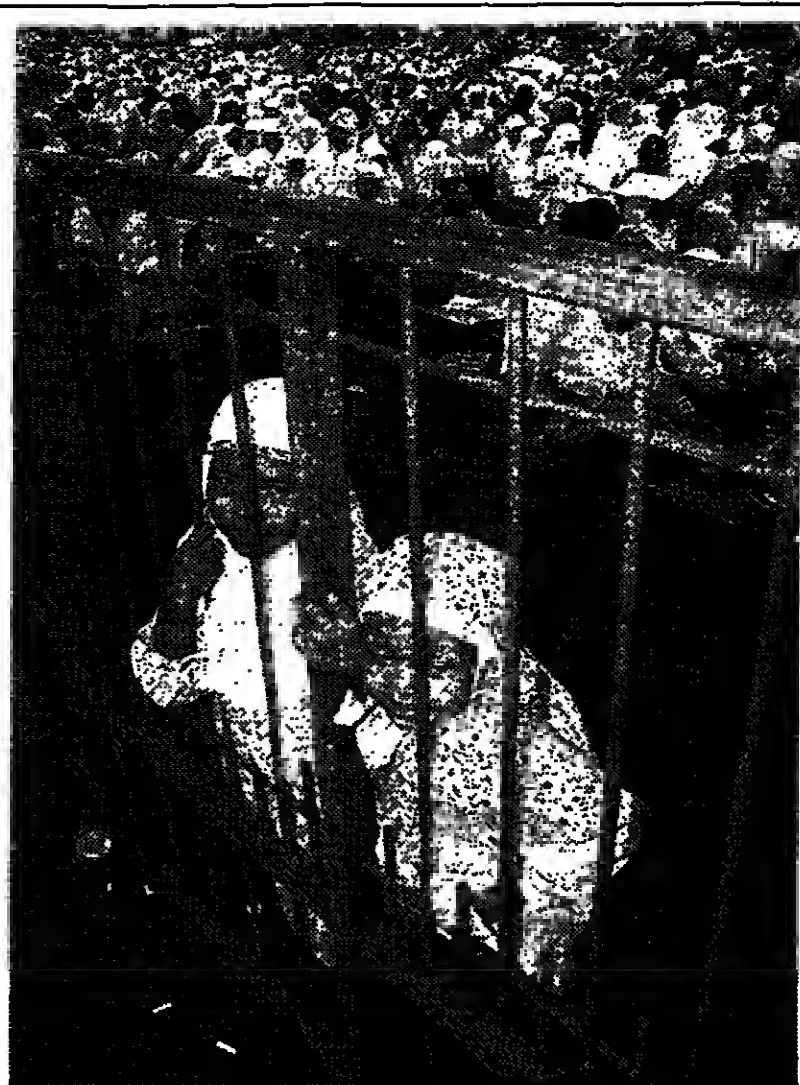
A 35-year-old who asked not to be identified said she had been trying to have a baby for 10 years. But she said she would rather not try any form of assisted reproductive technology.

"I don't want to do that. I want one naturally," she said. If a donor egg or donor sperm was involved, she said, she would not feel that the child was her own. She said her aim was not simply to have a child to raise: "I want to have my own child."

Many Japanese, especially members of younger generations, are less inhibited by traditional cultural taboos. In just five years, the number of couples who try in vitro fertilization using their own sperm and egg has doubled, and more than 7,000 babies were born using that method in 1996.

Many others who need donor eggs or surrogate mothers have become the best customers of California fertility clinics.

Despite growing public demand, there is great concern in the medical profession and the public that if Japan expands its fertility treatments, it will become like the United States, where, as the chief priest Sawada said, "even a single lady can go to a sperm bank."



PRAYER BREAK — Two girls in Jakarta peering through a fence as 100,000 Muslims offered prayer for Indonesia's economy Sunday.

Euro-Rule Draws Ire Of French Hunters

By Craig R. Whitney
New York Times Service

PARIS — Bashing those meddling European bureaucrats in Brussels, long a favorite pastime in Britain, is now in season in France, where President Jacques Chirac has signed into law a measure defying a Europe-wide regulation that bans the hunting of migratory birds during the nesting period.

Unlike Margaret Thatcher when she prime minister of Britain, Mr. Chirac took little apparent pleasure in defying Brussels.

"The president would like the government and the European Commission to work together to find a solution to this affair," his office said after announcing that Mr. Chirac had signed the bill.

Passed by the French Parliament last month over only cursory resistance by the Socialist-led government, the law allows hunters to fire away at waterfowl up to a month beyond the end of the season, which is Jan. 31. This had been the European standard from 1979 until the new directive from Brussels.

The directive, adopted unanimously, was intended to protect birds during the reproductive cycle. International lawyers say European law supersedes any national legislation that contradicts it, supposedly binding all 15 member states of the European Union.

France is usually a pillar of that union, except occasionally when disgruntled farmers and other rural denizens rise up against regulations that tell them how much grain they can grow and how big tomatoes and cucumbers should be.

The French heartland had become increasingly insurgent about the hunting rules. Earlier this year, 800,000 French hunters signed a petition to the European Parliament, asking for a modification. A million petitioners from other countries joined in the protest. Alessandro Fontana, a member of the European Parliament's commission on petitions, told the daily *Le Figaro* last month that the directive might be changed next fall if French hunters would just be patient and go through European channels.

France has two months to settle the conflict with the European Commission out of court.

Heads of U.S. Philanthropies Enjoy a Salary Surge

By Judith Havemann
Washington Post Service

WASHINGTON — The heads of the largest U.S. philanthropic foundations received salary increases last year five times the rate of inflation, putting the average at \$363,000 a year, according to Internal Revenue Service records.

The figure puts the chief executives of these influential national charities in the highest 1 percent of salaried people in the United States.

Six years ago, a scandal in the United Way charity drew public attention to the salary issue across the United States.

But the national controversy that erupted over William Aramony's

\$463,000 annual compensation package as chief executive officer of United Way seems to have had little direct impact on how much the charitable world pays itself.

Thomas Lofton, who heads the \$12.7 billion Lilly Endowment, is paid \$450,000 plus \$163,648 in benefits for overseeing the largest U.S. foundation, which concentrates mostly on charitable works and civic philanthropy in Indiana.

The Ford Foundation president, Susan Berresford, makes \$440,500 plus \$169,705 in benefits. With offices around the globe, the foundation she heads devotes the largest share of its grants to peace and social justice.

Foundations are among the elite institutions of the relatively little understood philanthropic community. As the government began to back away from the social initiatives of President Lyndon Johnson's Great Society program, the foundations have moved further into the forefront of policy development.

They have \$268 billion in assets, according to the latest statistics. In return for being sheltered from most taxes, the foundations are required to devote 5 percent of their average assets each year to charitable purposes, such as improving medical care for the aged or reducing poverty.

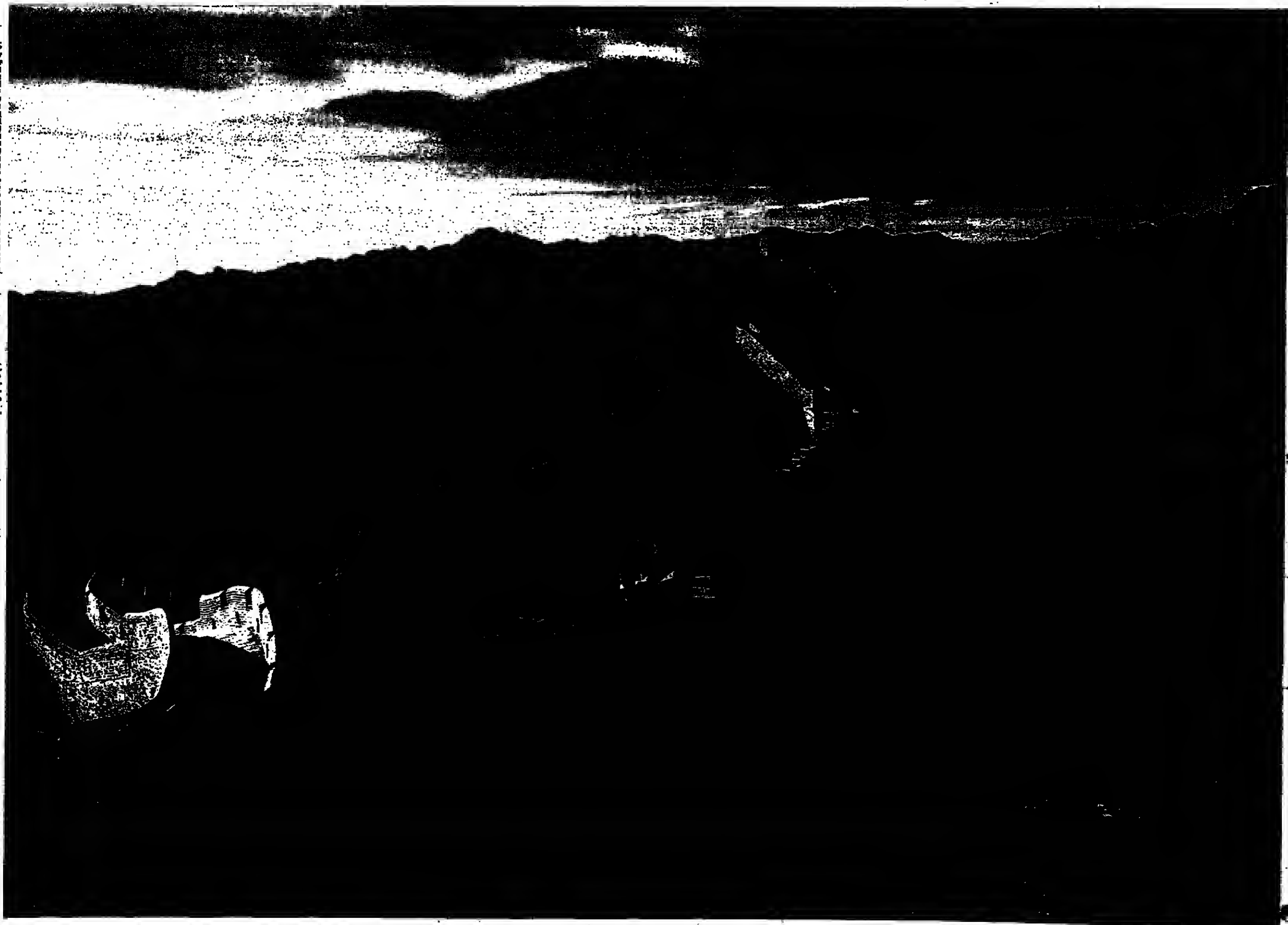
To be sure, the paychecks of non-profit executives vary widely. Directors

of soup kitchens or homeless shelters often are paid salaries on a par with the \$26,000 a year earned by the typical American worker.

While the salaries of top foundation executives exceed those of other non-profit heads, the practices of these large charitable agencies are important far beyond their own bottom line.

They establish the "gold standard" for executive compensation that smaller charities envy and emulate. Their system of evaluating performance is closely watched and, eventually, the top salaries raise the bar for everyone.

Foundation executives say that, relative to private corporations, their salaries are hardly excessive.



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INTERNATIONAL

U.S. Mission Is Awaited With Hope In Nigeria

ABUJA, Nigeria — A high-level U.S. mission will arrive in Nigeria on Monday amid expectation that the opposition politician Moshood Abiola will soon be released from prison.

U.S. Embassy officials said that Undersecretary of State Thomas Pickering would arrive in Abuja, the Nigerian capital, late Monday and meet with the new military ruler, General Abdulsalam Abubakar, on Tuesday.

Mr. Pickering's mission, similar to one rejected by the former leader, General Sani Abacha, before his death on June 8, is to encourage respect for human rights and discuss ways of putting Africa's most populous nation on a course to democracy.

It is the latest sign of Nigeria's rapid reintegration with the world community.

"The visit of the U.S. delegation should be seen in the context of Abubakar's determination to end Nigeria's isolation," a senior Foreign Ministry official said Sunday.

Mr. Abubakar has promised to free all political prisoners and initiated talks with domestic groups on a program to restore the oil-producing country of 104 million people to civilian rule. The steps have won him praise in Nigeria and abroad.

But a key factor in the reform process is freedom for Chief Abiola, who ran for the presidency in 1993 in elections that he is widely believed to have won. He was jailed the next year for declaring himself president on the basis of the elections, which were annulled.

The UN secretary-general, Kofi Annan, met with Chief Abiola during a four-day visit to Nigeria last week. At the end of the visit Thursday, he said Chief Abiola had remarked that he was not so naive as to expect that he would be made president if he was released.

But supporters of Chief Abiola's in his southwestern home region, who want him to head a national unity government to oversee transition to civil rule, have refused to accept the implied renunciation of his claim to the presidency.

The mainly government-owned Sunday Times reported that the government had delayed Chief Abiola's release, which the newspaper said had been planned for last week.

"Abiola's release will ultimately depend on assurances that his actions after freedom will be conducive to the government's program of returning the country to democratic rule," the paper said.

ULSTER: Marchers Turn Back

Continued from Page 1

forces about 450 meters away.

Two men, informally dressed, not wearing Orange Order regalia, were arrested by the police after they made a brief attempt to cross the barbed wire. Several tents were put up by people who said they intended to stay all night.

By evening, there were no reports of violence in Fottadown or elsewhere in the province.

The leader of the Catholics in Drumcree, Brendan MacCionnaith, urged Catholics to be wary of Protestants trying to sneak through the British lines to demonstrate.

His warning seemed a tactic to keep the issue alive politically, as the area is ringed with troops, policemen, armored Land-Rovers and Saxon military troop carriers.

Perhaps 200 of the marchers remained quietly on the side of a hill between the Church of Ireland church at Drumcree, where they had attended an annual service.

The Orangemen, and a few women, looked across a small stream, its banks scooped deeper by British diggers, at several rows of 1.2-meter-high barbed-wire coils and armed security forces. Many said it looked like a World War II battlefield, in the movies.

The all-male Protestant Orange Order says that marching is a matter of freedom of assembly, a basic democratic right. Last year, the Northern Ireland secretary, Mo Mowlam, agreed and allowed the march after the police forcibly removed protesting Catholics from the road.

But this year, approving the ban, she said that the rights of the Protestants and Catholics had to be balanced.

There are 3,000 Protestant parades held each summer to celebrate the victory at the Battle of the Boyne in 1690 of the Protestant William of Orange over his father-in-law, King James II. The victory established the Protestant Ascendancy and reinforced British rule in Ireland.

Catholics feel that the marches, only a handful of which are contentious, are offensive and triumphalist, as the Orangemen strut stiffly by to the martial music of loud drums. Sunday, only one group, the Edgarstown Drum and Accordion Band, marched up to the roadblock, thumping and wheezing its martial air through the fence.

Most of Sunday's marchers, particularly the younger men, did not wear the traditional black bowler hat, which costs about \$100. Some wore barbed in skin-head style and some small rings in their ears. There was no noticeable drinking of alcohol.

Most of the marchers milled around, chatting, even smiling, looking at the gray sky threatening rain, watching a single police helicopter hovering.



Immigrants buying fresh produce from a vendor at an open market in the southern part of Amsterdam.

DUTCH: The Netherlands Wrestles With Becoming Melting Pot

Continued from Page 1

and brown immigrant stars.

According to official figures, of the 15.5 million inhabitants of the Netherlands, 1.7 million are first- or second-generation immigrants. The largest groups in addition to the Surinamese are Turks (at least 260,000) and Moroccans (more than 220,000). All the major immigrant groups are concentrated in urban areas — one study estimates that in the port city of Rotterdam, for example, ethnic minorities make up almost one-fourth of the population — giving big Dutch cities a much more cosmopolitan air than just a couple of decades ago.

The major wave of Surinamese immigrants came here in the years just before and just after Suriname, which the Dutch had obtained from the British in 1667 in a swap for Manhattan island, was granted its independence in 1975. Virtually all are Dutch citizens, and only a few have left the Netherlands to go home.

As former colonial subjects, the Surinamese grew up speaking Dutch and were taught Dutch history in schools back home. These cultural factors should perhaps be expected to ease their transition into Dutch society, and indeed socioeconomic indicators bear this out: In income, employment and general prospects, the Surinamese rank well ahead of the Turks and the Moroccans. But they rank well behind the native-born Dutch. "Our situation is certainly not hopeless, but it's certainly not as good as it could be," said John Khodabux, an official with an advocacy group for Surinamese immigrants called SSA. "We have Surinamese doctors, lawyers, judges, but at the same time we have a lot of problems," he said. "We have a kind of middle position."

Still, many Surinamese say they believe they have carved out a permanent place in Dutch society. Along the way, they say, they have had to adapt — but they say they believe they also have altered the society permanently. "When I came over here, Holland was a very gray country," Mr. Khodabux said. "I think we've made it colorful in a lot of ways."

The Surinamese immigrants in the Netherlands are themselves a multi-ethnic mix, as full of diverse ingredients as the gumbo-like soup served each Thursday afternoon at the center where Mr. Murzius works. Many are descended from African slaves, many others from immigrant merchants and workers who came to Suriname from India, Pakistan, China or the former Dutch islands that now constitute Indonesia.

What they have in common is that none looks like the stereotypical blond, high-boned Dutch.

In an average middle-class neighborhood called Bos en Lommer, on Amsterdam's west side, Muslim women in head scarves wheel baby carriages on the street while men chat in Turkish and Arabic and children of Surinamese heritage nip into a corner takeout after school. A lane between two huge apartment blocks is named Akbarstraat — Akbar Street. Travel agencies tout low-cost package deals to Istanbul, Rabat and the Surinamese capital, Paramaribo.

Nationwide, about one-sixth of the children in Dutch schools are from immigrant groups. In Bos en Lommer and similar neighborhoods, with heavy concentrations of newcomers, the percentage of immigrant children goes to

one-third or even higher.

The Netherlands prides itself on being an open, tolerant society, duty-bound to offer generosity — in the form of ample welfare benefits — to those in need. These traditions run deep, and most Dutch say they welcome the newcomers. Dutch politicians who try to play the xenophobia card, as Jean-Marie Le Pen has done so successfully in France, have had little success.

"Black people are a part of this society now," said Henk Schrijver, a community worker who lives in Southeast. "You have to work with black people now. You see them on television, meet them in shops, on the streets. This used to be a society almost like Denmark or Sweden, full of blond people and nothing else. But the society has changed."

Yet it is not at all hard to find Dutch

"This used to be a society almost like Denmark or Sweden, full of blond people and nothing else. But the society has changed."

who believe this openness and this largesse have gone too far.

"This is not my country anymore," said Elisabeth Kuiper, a retiree who was out buying flowers with her husband, Hendrik, one recent morning in Bos en Lommer.

"More and more and more of these people are coming. There are more black than white now in the schools," she said, using "black" to mean virtually all who are not ethnically Dutch. "I say they should stop it. It's already too much. But they keep coming."

A talk with the Kuipers in their tidy, antique-filled apartment offers a glimpse of how racial stereotypes begin to form and take hold. First, they volunteer that the immigrants they know personally — the Surinamese man who lives upstairs, the refugee from the former Yugoslavia who lives next door — are "beautiful people," in Mrs. Kuiper's words. But the others, the ones they see on the streets, the ones they do not know, especially the Moroccans and the Turks — those immigrants, to the Kuipers, are baffling and more than a little frightening.

"The crime is so bad, we don't go on the streets at night," Mr. Kuiper said. "I don't understand them. I have three children, but they have 10 or more," Mrs. Kuiper said. "My grandchildren go to bed at 7 o'clock, but I see their children out on the street at 11 o'clock. How do they go to school in the morning if they're up that late?"

"People come here and throw away their papers and say, 'My name is Mohammed, I want asylum,'" Mr. Kuiper said. "And they let them stay. They just collect the benefits." Notwithstanding such sentiments, Surinamese immigrants said overt discrimination and racial slights are rare.

"If I'm in a bus or in a train or wherever, I feel very comfortable," said Henry Winter, who came here from Suriname in 1973 to study sociology at the University of Leiden. "That doesn't mean there isn't a certain image attached to ethnic groups in Holland. But society here isn't that uncomfortable."

Mr. Winter became active in an

agency that worked on behalf of Surinamese newcomers, and now is a senior staff member of FORUM, a new, publicly funded umbrella group — its formation mandated by the Dutch government — that seeks to represent the interests of all immigrant communities.

Like other Surinamese immigrants interviewed, he said he feels he is still Surinamese even though he is a full-fledged Dutch citizen — a status he enjoyed in Suriname prior to independence and one that almost all Surinamese immigrants easily have been able to attain.

One's comfort level in the Netherlands, he said, depends on one's situation. "If you have a good job, a good education, and can express yourself well in Dutch, then you're O.K.," he said. "If you're in a different social situation — not having a job, depending on social security — then life will be different for such a person."

Joan Buitendijk, a labor specialist for FORUM — and a Surinamese immigrant — said there is subtle but unmistakable discrimination in the Dutch labor market. Unemployment among the Surinamese immigrants is around 16 percent, as opposed to 5.4 percent for native-born Dutch. Her description of the Dutch workplace echoes complaints African-Americans, for example, have long voiced.

"The employers say it's very difficult to find black people," Ms. Buitendijk said. "Black people say it's very difficult to get in. Black employers say there's an atmosphere. People are always looking at you, asking, 'Can he do the job?'"

The situation of Surinamese immigrants in Amsterdam is evident in Southeast. Some neighborhoods, like Reigersbos — where Henry Winter lives — are modern and vibrant. Others are going through hard times.

To get to the Ganszenhof neighborhood community center where Mr. Murzius works involves wending through a shabby shopping mall, kept in perpetual shadow by an elevated roadway. Crack dealers openly ply their trade, defying the Dutch government's announced crackdown on hard drugs — and in view of a police substation across a courtyard.

Mr. Murzius is unusual among Surinamese immigrants in that he came to the Netherlands 10 years ago for political reasons — he was an active opponent of the Surinamese strongman, Desi Bouterse, and left the country after being arrested, interrogated for a week and released.

Living in the Netherlands, he said, has changed him. "Here, you don't have time for friends and they don't have time for you," he said. "When you want to visit friends, you have to phone first and make an appointment."

The Netherlands' long tradition of tolerance is built on the concept of society being organized in "pillars." Catholics, nonbelievers and several varieties of Protestants coexisted by organizing their own schools, neighborhoods, even businesses; they cooperated on matters affecting the common good, but seldom mixed until recent decades.

The pillars have largely broken down, but much of their spirit remains. Native-born Dutch understand the system instinctively, but many immigrants do not.

NEXT: Rise of an anti-immigration political movement in Australia

FLORIDA: Wildfires Spoil the Holiday

Continued from Page 1

turned into a rest area for exhausted firefighters, who flopped onto the floor, dead to the world until they had to do battle again. The Daytona International Speedway, instead of hosting the Pepsi 400 Nascar race and 150,000 screaming fans, became a staging point for heavy firefighting equipment pouring in from around the country. At the Beachcomber Hotel on Atlantic Avenue, rooms were occupied not by vacationers, but by state highway patrol troopers.

This is different, all right," said the assistant manager, Randy Woods, who, as a native of Daytona Beach, usually braces himself for the holiday onslaught of tens of thousands of racing fans and beach lovers. "A lot of people canceled when they canceled the race. It's down-right calm."

What did give the weekend a more upbeat tone, despite the tourist slump, was news that firefighters seemed to be gaining ground and that few new fires broke out.

[A change in the winds and rising humidity helped about 5,000 firefighters beat back the wildfires Sunday, while an approaching Caribbean storm raised hopes that they could be extinguished by midweek. Reuters reported from Daytona Beach.]

The firestorm that officials feared would ravage Flagler County to the north — if, as it appeared late last week, four major fires converged — was also forestalled.

But some facts remained discouraging: Since June 1, at least 200 homes and businesses have been destroyed by the fires, propelled by the driest May and June in the state's history, and nearly half a million acres (200,000,000 hectares) have been torched. In contrast, wildfires consumed 146,000 acres in the state in all of 1997.

The fighting forces have been growing daily. Fifteen hundred National Guard personnel have been called up to assist the 4,500 firefighters from 42 states and seven federal agencies. Two-thirds of the water-bearing helicopters in the southeastern United States are at work here. Already, the wildfires have cost more than \$100 million to fight, and that is only the beginning. Officials in this tourism-dependent state have not yet calculated how many people canceled vacation plans — July usually sees 4 million visitors in Florida — but it was obvious the fires also meant devastating losses in revenue. Disney World, more than 40 miles (60 kilometers) to the west, seemed untouched. But in Daytona Beach and at nearby Ormond and Flagler beaches, the

contrast between a normal July 4 weekend and this weekend was painful.

"We'll do 20 percent of our normal gross, if we're lucky," Mr. Nichols said about the beach-buggy trade.

It was a minor point in the midst of such a disaster, but this also was destined to be remembered here as the Fourth without fireworks. Every town and community in central and northeastern Florida, including Disney World, canceled fireworks displays. And local authorities promised rigorous enforcement of the statewide ban on private fireworks.

In Daytona Beach, where cars still have access to the beach, the sunbathers who did brave the smoke and ash could spread out. Normally, on a July Fourth weekend, the cars are bumper to bumper, and so are the beach towels.

Evacuation Orders Remain

Sixty fires still burned and mandatory evacuation orders remained in effect for all 45,000 residents of Flagler County on the Atlantic Coast, Reuters reported. In neighboring Volusia County, residents of the Plantation Pines subdivision were evacuated for the third time.

"We still have a lot of fires that are not contained but we did make some good progress," said the U.S. Forestry Service spokesman, Steve Parsons.

Rising humidity reduced some of the flare-ups, while sea breezes from the east slowed the fires' westerly march toward residential areas.

A tropical wave, a disorderly mass of thunderstorms, was expected to move over Florida by midweek, although it was too early to predict where the rains would fall.

For British Lease: The Royal Train

Agence France-Press

LONDON — Buckingham Palace, in the midst of an economy drive, announced Sunday that the royal train would now be available for charter to "appropriate" groups.

After a recent report showed that maintenance of the infrequently used train cost the crown £1.15 million (\$1.9 million) a year, the palace decided to try to cover some of the outlay with income.

The train contains apartments for Queen Elizabeth, a dining room and a car for staff members.

For groups wanting to use the train, each case "will be treated on its own merits," a spokeswoman said.

ASIA: Risky Economic Shift Gains Favor

Continued from Page 1

that the government could spend about 10 trillion won (\$7.35 billion) on pump-priming this year.

As a result, South Korea's 1998 budget deficit will rise to 4 percent of gross domestic product from the previous 1.7 percent target.

The government "expects the expansion in spending could help economic growth to recover a bit after the third quarter of this year," the ministry announcement said.

It added that the increased spending would mainly go to support smaller companies, trade financing, the housing industry, infrastructure projects and unemployment benefits.

The announcement came as South Korean media reported that the country's gross domestic product in 1998 is expected to be revised downward to a contraction of 4 percent when the IMF begins a quarterly review of the economy later this month.

An earlier IMF review projected a drop of 1 percent.

South Korea, Thailand and Indonesia are getting international loans worth up to \$120 billion and organized by the IMF in exchange for painful economic reforms.

In the case of South Korea and Thailand, the measures have helped to stabilize their currencies, allowing monetary authorities in both countries to answer the pleas of local business for lower interest rates to help prevent more company closures and layoffs.

"There is room for further cautious reductions in interest rates and somewhat higher monetary growth rates," the IMF and the Thai government said in a joint statement last month.

"We believe that monetary policies will have to be relaxed," said Kam Karubadej, an economist in the Bangkok office of Dresdner Kleinwort Benson, a unit of Germany's Dresdner financial services group. "We would then see the money supply increase, an improved liquidity situation and lower interest rates."

But on the downside, he added, "a

depreciation in the currency would have to be accepted." At its present level of about 42 to the dollar, the Thai baht has lost about 40 percent of its value since dwindling foreign exchange reserves forced Thailand a year ago to accept devaluation.

That triggered the currency turmoil in other countries of East Asia that has undermined the region's economic growth.

An influential Indonesian economist, Sumitro Djodjodikusumo, urged Indonesia's central bank last week to cut interest rates to prevent a widespread collapse of industries and commercial banks that would plunge the world's fourth most populous nation into a deep depression lasting up to seven years.

He also said that the government should set aside between \$3 billion and \$5 billion from the IMF bailout loans to establish an independently administered fund to help finance viable small businesses and cooperatives that are struggling to survive the credit squeeze in Indonesia.

After pushing bank interest rates lower, Malaysia announced Wednesday that it would set up a 5 billion ringgit (\$1.2 billion) fund to assist infrastructure projects delayed or postponed because of the economic crisis.

Malaysia said in June that it would establish a separate 7 billion ringgit fund to help low-cost housing developers and other social projects.

The economic research department of the Dutch ABN-AMRO financial services group said that Malaysia's deficit spending would make it difficult to sustain lower interest rates, while the government's "loose and confusing monetary stance" could weaken the ringgit.

"As imports account for about 97 percent of the country's GDP, a weaker currency will undoubtedly push up import costs; thereby prompting a further escalation in consumer prices," ABN-AMRO said.

"We fear that Japanese financial institutions, suffering under a mountain of bad loans in both the local and regional markets, may pull their money out of Malaysia."

JAPAN: In the Hinterlands, Where Pork Is King, the Voters Want Not Change but More of the Same Policies

Continued from Page 1

serving in Parliament, Yuji Yamamoto, drew vigorous applause when he denounced the deregulation of retailing and finance. Most of the world has regarded Japan's financial liberalization this year as long overdue, but Mr. Yamamoto said that a result has been capital flight from Japan to the United States.

"Stock prices have fallen, the yen has fallen and the dollar has risen!" Mr. Yamamoto bellowed as the crowd roared. "We are not living to serve the Americans."

So while Japan is suffering its worst recession in the postwar era, unemployment is at a record and foreign analysts are warning that the country could set off a worldwide depression, the issue in the electoral districts is which candidate can best divert national funds to build more local dams.

"These dams, these little roads and bridges are very important for the rural

areas," said Mr. Morishita, 56, as he loosened his tie and sat on the floor of the auditorium for a chat after the audience had drifted out. "They help everybody in rural areas make a living. It's the only way for these areas to get a cash income."

A genial man with a radiant smile, Mr. Morishita said that in half of the 53 towns in Kochi Prefecture, the biggest industry is construction. "People criticize pork barreling, but Kochi is remote and doesn't have much industry," he noted. "So for voters in these areas, this is better than nothing."

U.S. officials often complain that Japan's political system is dysfunctional, unable to cope with the economic crisis. But the paralysis in Tokyo may have less to do with the system than with the public mood it reflects, for the excellent prospects of the Liberal Democrats in the current campaign suggest that many Japanese do not want the fundamental restructuring favored by the United States.

Japanese voters basically don't want

drastic change," said Hiroshi Toyama, a political columnist for the Kochi Shimbum, a local daily newspaper. That comment is echoed by almost every politician and voter one speaks to, particularly outside the biggest cities.

Yoshihiko Miyauchi, president of Orix Corp., based in Tokyo, and a prominent executive in Japan, says that the essential reason for the country's crisis is this deep-seated reluctance in the provinces to embrace a global market economy. Mr. Miyauchi refers to the Liberal Democratic Party, or LDP, as the "Japan country party" because of its deep roots in the countryside.

"If you look at most of the LDP representatives, they are elected from the countryside and they are not connected to the global economy," he said. "The majority of people here are not willing to be led by economic forces. And so we have very deep problems."

As in many countries, the electoral system in Japan greatly amplifies the

voices of people in rural areas. This election is for the upper house of Parliament and a member can represent as few as 241,000 voters in rural Tottori Prefecture or as many as 1.2 million in Tokyo.

The upper house is less important than the lower house, but the election could still have important consequences. If the Liberal Democratic Party ends up with fewer seats than before — it now holds 61 of the 126 seats in contention — then that could force the resignation of Prime Minister Ryutaro Hashimoto.

Most polls show the Liberal Democrats likely to gain seats, however. Indeed, some experts suggest that the Liberal Democrats could win 69 or more seats, enough to give them a majority of the upper house to go along with their existing majority in the lower house.

One gain for the Liberal Democrats is likely to be this district in Kochi, on the southern island of Shikoku. The seat is now held by an opposition figure who is not running this time and Mr. Morishita

is in the lead among the five candidates. The opposition candidates together will almost certainly garner more votes than Mr. Morishita will, and in a two-party system the Liberal Democrats might well be evicted from power. But Japan is an oddity, something of a one-party state. The opposition is severely fragmented with little chance of taking power, at least in the next couple of years, and a result is a political machine.

The lack of a credible opposition means that disaffected Japanese stay away from the polls altogether. Because elections are not perceived as a viable choice or a mechanism for change, the voting rates keep dropping — to 51 percent in the 1992 upper house election, 44 percent in 1995 and an anticipated record low of less than 40 percent this time.

Fewer votes benefit the Liberal Democrats, because they are well-organized and can mobilize supporters more than the opposition parties.

JPY 1200.50

INTERNATIONAL

World AIDS Conference Ends Pessimistically, With No Cure in Sight

By Lawrence K. Altman
New York Times Service

GENEVA — The 12th World AIDS Conference ended in a somber mood.

A series of reports about new problems with anti-AIDS drugs and setbacks in vaccine trials left many participants thinking that their best hope against the epidemic is the strategy they have had since it began: prevention.

But many of them said this last hope was not being pursued as aggressively as it should be.

The mood was a sharp contrast to the euphoria at the last AIDS meeting, in Vancouver, British Columbia, two years ago. There, scientists reported that combinations of new drugs, called protease inhibitors, had allowed many people infected with HIV, the AIDS virus, to leave their deathbeds, even to return to work.

But this year, the talk was of problems. Vaccine researchers gave the disheartening news that a promising candidate vaccine, tested in monkeys, caused the disease rather than prevented it. Doctors told of patients who failed in spite of the new drugs, or who developed side effects while taking them.

And even when the drugs offered hope, still other speakers said, it is hope beyond the reach of the vast majority of the 34 million people now

infected with the AIDS virus. Those patients cannot afford the treatment. It can cost about \$15,000 to provide the drugs to one person a year, a sum greater than the entire health budget of many a Third World village.

As Dr. Hoosen Coovadia of Durban, South Africa, explained it, AIDS affects 40 percent of the children he treats in a large black hospital there. Yet, Dr. Coovadia, chairman of the next World AIDS Conference in 2000 in Durban, said that he had never used any anti-HIV drugs. His hospital cannot afford them, he said.

Reports like these lead inexorably to the conclusion that the best hope for easing the epidemic is still prevention, speakers said. Yet "over 100 times more money is being spent on therapeutics now than on the development of prevention technologies," said Dr. Catherine Hankins, an epidemiologist at Montreal General Hospital in Canada.

Among them are chemicals that could be inserted into the vagina before sexual intercourse to kill HIV. Dr. Hankins left the meeting saying she did not feel "terribly optimistic."

Sex education, needle-exchange programs, condom distribution, among other preventions, could save millions of people from AIDS, speaker after speaker told those gathered at the meeting, which ended Friday. At the same time,

though, many of the 13,775 participants from 177 countries concluded that people and their government leaders were not paying enough attention to those relatively simple steps, and that industry was doing too little to develop more effective prevention methods.

Speakers urged that health workers combine preventions as they had drugs and adopt a community-based approach to promote them. They called for more programs to treat sexually transmitted diseases because those diseases can increase the risk of spreading HIV, in part by creating open sores.

Programs to promote sex education, use of male and female condoms, and needle exchanges worked well and did not promote promiscuity or drug use, a number of health workers said. Yet, they added, government and community leaders often become near hysterical when such programs are broached, often because they fear criticism from the clergy or political opponents.

In the United States, there has been widespread opposition to condom-distribution programs, and the Clinton administration announced recently that it would not support needle-exchange programs.

"We know what prevention works, but we don't do enough of it," said Dr. Werasit Sititirai

of Thailand. He cited several effective measures, including counseling about sexual health, education from peers who had been trained to advise in prevention, and access to friendly and confidential clinics that treat sexually transmitted diseases.

But older people often stand in the way because they forget what it was like to be young, Dr. Sititirai said. "We forget the fear, the laughter, the craziness, the boredom, and all those bubbling, boiling hormones," he said, and "how much sex occupied our thoughts."

Speakers called on conference participants to return to their homes and rally others to become more involved in the political process to promote HIV-prevention efforts.

The meeting's theme was "bridging the gap" between what is available to HIV-infected people in developed and developing countries, where, said Dr. Peter Piot, executive director of the United Nations AIDS program, the virus is causing "a runaway epidemic."

The enormous complexity of dealing with a raging epidemic in a poor country was underscored by a report from Dr. Alan Smith, a virologist at the University of Natal in South Africa, who discussed blood tests for the virus.

The standard HIV test detects proteins known as antibodies that are usually formed about six

weeks after the virus enters the body. A more precise test, which detects a portion of the AIDS virus known as P24, appears to be far better, but most developing countries cannot afford it, said Dr. Smith, who studied the problem in a prenatal clinic. Accurate testing during pregnancy is particularly crucial to enable doctors to try to prevent transmission of the virus from mother to child.

Other studies showed that giving pregnant women the anti-viral drug AZT and delivering their babies by planned Caesarean section could reduce the risk of a baby's contracting the virus from its mother to about 1 percent. The drug and surgery therapies are widespread in developed countries, said Dr. Augusto Semprini of the San Paolo Biomedical Institute in Milan.

But he added that many obstetricians in developing countries do not perform Caesarean sections because of the increased risks of the surgery and inadequate infection-control measures in their hospitals. And many developing countries cannot afford AZT.

But some gaps that need to be bridged lie closer to home.

Mark Harrington of Treatment Action Group, an AIDS advocacy group in New York City, said gaps in care existed in the United States as well as the Third World.

Iraq Blames Gulf War for Cancers

Depleted Uranium Is the Culprit, Baghdad Says, but U.S. Denies It

By Doug Struck
Washington Post Service

BASRA, Iraq — The young man's leg ended abruptly in a bulbous stump. His father, a tall, stately man with weathered eyes that had seen much, stood by the hospital bed and fought back tears as a cancer he could not see was slowly killing his son.

"I got this from the war," said Fahd Hussein, 19, wincing in pain. "The explosives gave me this cancer."

In the next bed, Akel Hassan, 30, was suffering from lymphatic leukemia. He was an Iraqi soldier during the Gulf War at a base in central Iraq. During an air attack, allied missiles pierced the underground bomb shelter, killing 30 soldiers. Hassan was at dinner outside the shelter. He thought himself lucky. Now he is not so sure.

"Ever since then I have been short of breath, dizzy," he said. "There was something in the air."

Iraqi health officials contend that "something" was the depleted uranium that was used for the first time on American and British armaments during the 1990-91 Gulf War. They say there has been a marked increase in cancer from what they say was low-level radioactive and toxic dust that billowed out of the explosions.

The Pentagon insists there is no basis to the Iraqi claim and no health hazard from the uranium-tipped armor-piercing shells used in the war. "We have found no adverse effects" from the armaments, said Bernard Rostker, an assistant navy secretary who is studying the consequences of the battles.

But the question of whether the American-led "clean war" left a dirty killer in the air and soil of Iraq will not go away, despite the Pentagon's stand.

"Since 1991 the number of cancer cases has increased five to six times over what it was," said Jawad Kudhim Ali, an oncologist at a cancer clinic in Basra, close to the main battlefields of the war. "And we have seen some unusual tumors. There has to be a cause."

The issue also is raised periodically by Western anti-war groups, U.S. con-

gressional reports, some American Gulf War veterans and by some reporters who have observed Iraqi measurements of the Iraqis say show increased radiation in and around the wreckage from the war.

Even the U.S. military approaches the issue with some ambivalence. Mr. Rostker acknowledged that the Pentagon has issued instructions for soldiers to avoid contact with targets of the uranium shells and is planning training to instruct soldiers not to pick up tank souvenirs.

"There is a lot of contradiction here," Mr. Rostker said in a telephone interview from Washington. "We take extraordinary precautions, even though for a casual encounter there is no danger."

But the Nuclear Regulatory Commission treats depleted uranium as a hazardous material.

The latest study, completed in February by a group called Swords to Plowshares and the National Gulf War Resource Center, concluded that thousands of allied troops may have been exposed to the uranium dust by clambering over damaged Iraqi vehicles after the war.

The group's report concluded that the Pentagon "has consistently misled veterans about the extent of depleted uranium exposures during Desert Storm."

More than 630,000 pounds of depleted uranium was released by U.S. tanks and aircraft during the Gulf War, the group said. Depleted uranium is the byproduct of enrichment of uranium for nuclear fuel and is one of the densest metals known. It was placed on the tips of special armor-piercing shells fired by tanks and aircraft.

It has lower radioactivity than uranium found in nature. But when one of the shells entered a target with a burst of heat, the uranium scattered in a cloud of dust that filtered into the air, covered the ground and eventually entered the ground water, according to critics. Although the radiation is low-level, the dust is a toxic heavy metal, and those critics say prolonged exposure could lead to cancers.

The Swords to Plowshares group asserted that "depleted uranium fragments or particles in the body may cause severe health problems years or decades after exposure," including birth defects and cancers such as leukemia.

Mr. Rostker disputed that claim. The report is "not very good," he said, and "misrepresents what is, granted, a very complex subject." He said depleted uranium "is not a highly radioactive substance" and that tests in Kuwait found no increased radiation in the air or soil.

The Pentagon says it has no way of verifying the accuracy of Iraqi claims of increased cancer and no way of determining what might have caused any increasing.

On biological grounds, the chance that depleted uranium is causing an excess of cancer in southern Iraq is highly unlikely, for several reasons.

Depleted uranium has only half the radioactivity of purified uranium, a substance that itself has very weak cancer-causing properties even after prolonged contact. In addition, the seven years since the Gulf War is too short a time for radiation-induced cancers to develop, with the exception of leukemia and thyroid cancer. Uranium, however, does not cause thyroid cancer, and the radioactive particles it emits do not penetrate far enough into the body to affect bone marrow cells, which are the source of leukemia.

There is theoretically a cancer risk if a person ingests uranium dust, but the amount required would be huge, said Raymond Guilmette, a radiobiologist at Lovelace Respiratory Research Institute in Albuquerque, New Mexico.

He calculated that a person would have to eat 100 micrograms of depleted uranium — mixed with dirt, this would amount to about a half teaspoon — every day for 50 years to get just one one-thousandth of the radiation dose experienced, on average, by nuclear industry workers. A recent study of 100,000 such workers from three countries found a slight increase in leukemia and no increase in other forms of cancer.



From left, King Hussein, President Mubarak and Mr. Arafat speaking Sunday in Cairo after their meeting.

Arabs Protest Over Jerusalem

CAIRO — Jordanian, Egyptian and Palestinian leaders meeting in Cairo called Sunday for Israel to stop tampering with the status of Jerusalem.

King Hussein of Jordan joined President Hosni Mubarak of Egypt and the Palestinian leader, Yasser Arafat, here for their first three-way meeting since September.

"The leaders assert their absolute rejection of Judaizing Jerusalem, which the Israeli government launched on June 21, 1998, and demand the abolition of such a project immediately and that no measures be taken to implement it on the ground," they said in a joint communiqué after the talks.

Israel announced plans last month to expand the boundaries of Jerusalem and link it to Jewish settlements in the West Bank, angering Arabs who see Arab East Jerusalem as the future capital of a Palestinian state.

Tehran's Mayor Accused Again

TEHRAN — An Iranian court made new corruption charges on Sunday against Tehran's suspended mayor, Gholam-Hossein Karbaschi, a key ally of President Mohammed Khatami's.

In its fifth session, the court accused Mr. Karbaschi of obtaining contributions to Mr. Khatami's election campaign last year from developers who were then allegedly given illegal advantages in their dealings with the city.

Mr. Karbaschi denied the charges, saying that they were based on confessions obtained from jailed city officials who had been tortured.

The trial has exacerbated an open feud between conservatives, who control the levers of power, and the moderate supporters of Mr. Khatami, who won the presidential election last year in a landslide.

Algeria Enforcing Arabic Law

ALGIERS — Algeria began enforcing on Sunday a law that makes Arabic compulsory for all official business,

despite protests from the country's Berber minority. The move came on the 36th anniversary of Algeria's independence from France.

Hundreds of Berber activists took to the streets of central Algiers to denounce the policy and demand the recognition of their Tamazight tongue as an official language.

Up to 5 million of the 30 million Algerians are believed to be Berber-speakers, mostly in the mountainous Kabylia region in the northeast. For three decades activists have tried, unsuccessfully, to have their language given the same official status as Arabic.

Many Algerians fear that if the matter is not resolved, hundreds of thousands of Berbers armed by the government to fight Islamic rebels might turn against state forces.

Algeria began an Arabization policy in the 1970s in an attempt to break with more than a century of French colonial influence, enlisting Arabic-speaking teachers from Egypt and Syria.

Colombians Free Seized Women

BOGOTA — Anti-government guerrillas have freed 15 young women whom they took hostage nearly three weeks ago after accusing them of covert activities for the armed forces under the guise of a social services program.

In what it deemed a "goodwill gesture," the National Liberation Army released the captives to a Nobel Peace Prize laureate from East Timor, Jose Ramos Horta, and the International Committee of the Red Cross in a mountainous jungle area near Segovia. The gold mining town in central Colombia was where the women were abducted June 13.

Authorities said that the women, aged 13 to 21, appeared to be in good health, but that one had fractured her ankle after falling off a swing. Three victims are several months pregnant and two others recently gave birth.

The kidnappings had spurred international condemnation and were viewed as a new low in Colombia's 34-year rebel conflict.

According to the Colombian military, the women worked for a civic program run by the army in and around Segovia — a town once controlled by guerrillas — teaching residents how to improve their reading and offering health and family counseling, among other things.

Zimbabwe Looks Bound for Trouble

By Donald G. McNeil Jr.
New York Times Service

HARARE, Zimbabwe — Everyone in Zimbabwe knows something has to give.

Reginald Matchaba-Hove, a human rights advocate who is chairman of the Zimbabwe National Council, knows it when he says: "The president? He's like a king."

Mike Mutema is head of the parliamentary committee trying to rewrite the constitution inherited from the old white supremacist Rhodesian government. The current government uses the same provisions to suppress dissent. Mr. Mutema knows it, too. But he prays that change will come peacefully.

Morgan Tsvangirai, the country's most important union leader, knows it. But he does not expect change to be peaceful. He led a general strike last December. He works behind a thick iron gate since eight thugs walked into his office. Only his secretary's screams saved him from being beaten to death with his own coffee table.

And presumably President Robert Mugabe knows something has to give, although he emphatically denies it.

"There is no difficult period now in Zimbabwe," he said at an economic forum in May, "except for economic problems related to downward price trends for minerals, and one or two disturbances because of upward trends in commodity prices. It's a passing phase. We keep the economy at a level where we know it is stable."

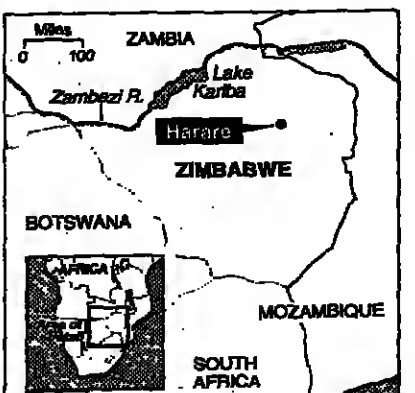
In the last year, the Zimbabwean dollar has fallen 70 percent. Inflation is nearing 40 percent. In a country where riots were rare, police and demonstrators have clashed three times since December.

In nationwide riots precipitated by a 21 percent rise in the price of cornmeal, eight people were killed. In March, students emboldened by the overthrow of President Suharto in Indonesia marched on Parliament chanting, "Suharto, Mugabe, Indonesia, Zimbabwe." Po-

lice dispersed them and closed the state university. The university had not been closed in the previous 20 years.

More trouble is expected. The unions are threatening a five-day general strike. Food prices are artificially low because the government has ordered producers not to raise them. The producers say they will go bankrupt, causing shortages. Gasoline prices are Africa's cheapest, about half what might be the market level. The state is spending millions to buy gas and sell it below cost.

The collapse of a large bank revealed that its founder had issued \$45 million in unauthorized notes on a government agency, which the state will probably have to honor. The banker, who is said to have made big loans to cabinet of-



ficials, was stopped at the airport as he was going abroad under a false name, but the police were told to let him go.

Other "black empowerment banks" related to his are so weak that government agencies ordered to do business with them are said by the government press to be withdrawing their money every few days just to be sure it is still there. Low prices for tobacco and gold, and a 33 percent shortfall in the corn crop, are adding to the damage.

Mr. Mugabe's response to the crisis seems to be to treat it with increasing

denial and disdain. Within days of the food riots, all 54 members of his cabinet got new Mercedes-Benzes to go with the Jeep Cherokees they get for visiting rural constituents. In the last two years, as president of the Organization of African Unity, Mr. Mugabe made 40 trips abroad, and now he wants a bigger jet. The best argument for it is that it might curb his habit of stranding tourists by commandeering Air Zimbabwe planes. Tourism is the economy's one bright spot.

He flatly denies that corruption is a problem, despite business people's complaints that anyone wanting a government contract has to go through his nephew, Leo Mugabe. He stripped one critic of his party rank and then denounced him as a wizard.

The gleaming new reserve bank building is now snidely referred to as Bob's Takeaway, because since January the government has borrowed \$450 million from it to pay debts — "essentially, just printing money," said a University of Zimbabwe economist, Tony Hawkins.

Real wages are down to the levels of 30 years ago. Foreign investment is down. Unemployment is 30 percent. The health budget is shrinking, just as the United Nations has said that 25 percent of the country's adults are infected with the AIDS virus.

Taxes are up, largely to pay off Mr. Mugabe's core constituency: angry veterans of the liberation war, whose pension fund was looted. Once they were paid, they stopped demonstrating against Mr. Mugabe and threatened to march on the Harare suburbs to beat up whites, blaming them for the general strikes.

The International Monetary Fund has forced some budget cuts in the military, but its specific demands are kept secret. Despite calls for his resignation, Mr. Mugabe, 74, insists, "I am still at the helm." Elections are to be held in 2002.

CROSSWORD

ACROSS

- 1 Presidential caucus state
- 5 Relax
- 6 "The _____ Ranger"
- 12 Some of it is junk
- 14 Go — detail
- 15 Rescued
- 16 French 101 infinitive
- 17 Croaker
- 18 Revise
- 19 1988 Newman/Cruise movie
- 22 Site of a ship's controls
- 23 Debtor's note

- 24 One-named comedian with a talk show
- 25 Chaos
- 26 Like a stadium crowd
- 27 Stewpot
- 28 — Grande
- 29 Cynical foreign policy
- 40 Earnings on a bank acct.
- 41 Lemon and lime drinks
- 42 Commie
- 43 Sites of lashes
- 44 Pressure
- 47 "Are you a man — mouse?"
- 48 Landlocked African country

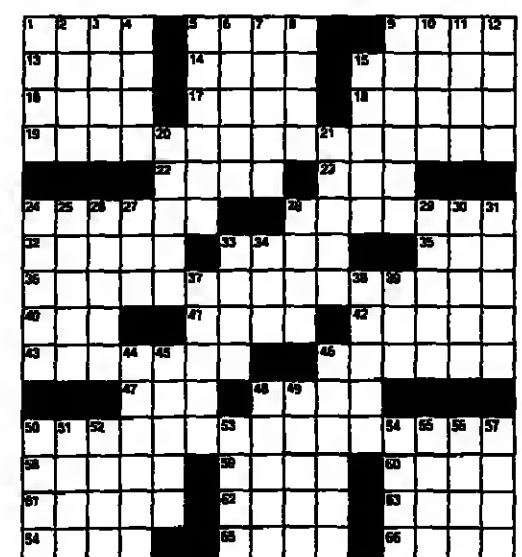
DOWN

- 1 — a man with seven wives
- 2 Sworn word
- 3 Telegram
- 4 Actor Guinness
- 5 Ransacked
- 6 Register, as for a course
- 7 Tempest
- 8 Like some restaurant orders
- 9 Hope/Crosby co-star Dorothy
- 10 Kin
- 11 State bird of Hawaii
- 12 Whirlpool
- 15 Pago Pago's land
- 20 John who wrote "Butterfield 8"
- 21 Last

Solution to Puzzle of July 3

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EDITORIALS/OPINION

Herald Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

No to Child Soldiers

Last month, guerrilla soldiers kidnapped 19 schoolchildren from the northern Uganda city of Gulu to join the Lord's Resistance Army. Most have since escaped. But the army, which is waging a campaign against Uganda with the backing of Sudan, has already abducted more than 8,000 children to use as soldiers, most under 16. Children who have escaped say they were forced to torture and kill one another. Once psychologically broken, they are used as sex slaves for other soldiers or become vicious fighters themselves.

These children are part of what researchers now estimate to be 300,000 child soldiers in militaries and guerrilla armies around the world. Most are close to 18, but tens of thousands of them are not yet teenagers. The United Nations and a new coalition of private groups are trying to focus attention on the issue of child soldiers and reduce their numbers. Success will depend on shaming the governments and expatriate communities that raise money and buy weapons for guerrilla movements.

Young people have been used as soldiers throughout history, but recent years have seen a large increase, due to the changing nature of war. Since the end of the Cold War, conflicts between countries fought by armies have been rare. Wars today are nationalist, ethnic and religious, fought by warlords who have little interest in the Geneva Conventions and may view even infants as enemies. According to a 1996 United Nations study, civilians represented 5 percent of war casualties at the beginning of the century, but 90 percent in wars today. Children are more easily taken as soldiers in these wars, fought in populated areas where the displacements of combat erode traditional taboos. Child soldiers are most common today in Afghanistan, Sierra Leone, Sri Lanka, Sudan and Uganda.

The spread of automatic weapons has helped make children into desirable soldiers. In the past, weapons were too

heavy or complex for children to handle. But a 10-year-old can use an AK-47 almost as effectively as an adult. Children, moreover, do not demand payment and are more easily indoctrinated and controlled than adults.

Although the blight is worst in the most lawless and chaotic conflicts, it is possible to save some children. Breaking the world's silence can help stigmatize groups that use children in war, some of whom crave international legitimacy. Last week the UN Security Council had its first debate on the issue. Olara Omuani, the UN special representative on children and armed conflict, has received a pledge from Sri Lanka's major Tamil guerrilla group, one of the most egregious offenders, to stop using children and to set up ways to monitor its compliance.

Enforcing such pledges depends on the force of public opinion. The world needs a clear international statement that child soldiers are unacceptable. A proposed protocol to the 1989 UN Convention on the Rights of the Child would raise the minimum acceptable age to 18, from 15. Consensus on this issue is important because in areas of poor record-keeping, armies often lie about children's ages. A 12-year-old can be passed off as 15, but 18 is more difficult. The United States is working against raising the age, for the short-sighted reason that 17-year-olds can legally join the American armed forces. They represent a tiny percentage of the military, however.

Delegates in Rome negotiating rules for an International Criminal Court should classify the recruitment of children under 15 as a war crime. Nations should increase their efforts to curb the illicit trade in firearms. Finally, more money must go to programs that provide psychological and physical training for former child soldiers. The new spotlight on the horrors of turning children into warriors is a good start.

—THE NEW YORK TIMES

Rewards of a Summit

President Bill Clinton's visit to China, like most presidential journeys abroad, was carefully choreographed to further the interests of host and guest. Both sides hoped to move relations past the lingering trauma of the Tiananmen Square massacre nine years ago, and largely succeeded.

The trip furnished the leadership credentials of President Jiang Zemin, let Mr. Clinton talk about human rights directly to the Chinese people, and furthered the easing of tensions between Washington and Beijing. But the hardest issues were not resolved, and there was a fair amount of show in place of substance.

Mr. Jiang has become more assertive and liberal in the past 16 months as he emerged from the shadow of Deng Xiaoping. He used his appearances with Mr. Clinton to present himself as a statesman who could meet on equal terms with the leader of the world's richest and most powerful country.

More surprisingly, through his own statements and by allowing several of Mr. Clinton's appearances to be shown live and uncensored on Chinese television, Mr. Jiang signaled that he is willing to tolerate more open public debate than China has seen since the period just before the Tiananmen Square crackdown.

Mr. Clinton also embraced the opportunity for ceremonial statesmanship, a welcome relief for him from troubles at home. More substantively, he wanted to use this trip to show American audiences that today's China is too complex to be understood simply in terms of army tanks rolling through Tiananmen Square in 1989. By doing so, he hoped to strengthen domestic support for building closer economic and military links with a country many Americans understandably see as a repressive dictatorship and a potential strategic rival.

Mr. Clinton's repeated declarations to Chinese audiences about the importance of human rights and individual freedom, while less sharp than they might have been, have won him some political latitude on these issues at home. But legitimate misgivings remain about the wisdom of U.S. commercial dealings with companies controlled by the Chinese military and Beijing's alleged attempts to buy influence in U.S. politics.

The nine-day Clinton visit marked a modest gain for relations between the United States and China, which were

dangerously frayed as recently as two years ago. Increasingly frequent meetings between Mr. Clinton and Mr. Jiang are improving communication and trust between the two leaders. Last week's agreements on issues like retargeting nuclear missiles, working together to resolve the Asian financial crisis and restraining missile sales to Pakistan were largely symbolic, but at least sent the right signals.

Mr. Clinton and Mr. Jiang failed, however, to resolve some of the most serious problems between the two countries. These include the illicit transfer of U.S. space technology to China, Beijing's reluctance to lower trade barriers to qualify for the World Trade Organization, and the continued refusal of China to renounce force in its dealings with Taiwan.

Having posed for their flattering photo ops and reaped their intended political rewards, both men are now obliged to grapple with these difficult but important problems.

—THE NEW YORK TIMES

Other Comment
Act Against Milosevic

Three years after the Dayton accords ended the fighting in Bosnia, Slobodan Milosevic is back at it again. This time, his forces are in Kosovo, driving out and killing ethnic Albanian men, women and children — even as he meets with diplomats and moderate Kosovo leaders. If the world does not heed the lessons of Bosnia and act forcefully now, Kosovo's 2 million Albanians will fare much worse than their Bosnian neighbors.

The time for prevention has come and gone. In light of years-long Albanian suffering, it is no surprise that some Albanians have become impatient with nonviolent resistance and support the Kosovo Liberation Army.

As the U.S. experience in Bosnia demonstrated, negotiations that are not backed by the credible threat of force will not succeed.

Unless the world forces Mr. Milosevic to cease his attacks and accept international mediation, the conflict that has already begun will be worse than Bosnia not only for the Kosovars, but also for Europe, NATO and the United States.

—Senators Bob Dole and Joseph I. Lieberman, commenting in the Los Angeles Times.

A Special Relationship With Painful Side Effects

By Philip Bowring

HONG KONG — Bill Clinton's trip to China was an extraordinary event. It brought home the unwritten but real existence of the special relationship between China and America. It was a reminder, too, that this relationship is not always healthy, particularly for broader U.S. interests in Asia.

President Clinton seemed to embrace almost physically the "strategic partnership" with China.

His lavish praise for China's achievements and prospects carried the media along on a wave of good feeling about China. This will surely yield domestic political returns for Mr. Clinton as November elections approach — and reinforce the U.S. tendency, apparent for 150 years, to approach China from a missionary perspective.

The trip was also extraordinary for the way in which China, so proud, so aloof, so sensitive to foreign "interference," meekly listened to lectures, albeit tactfully delivered, on liberty, democracy, free markets and (surprisingly, given U.S. lack of enthusiasm for emission cuts) the environment.

The mostly positive response to the lectures reflected America's image in China as the exemplar of the modern state, and was a tribute to Mr. Clinton's skill with words and audiences.

There is at least a possibility that the

visit will have some lasting impact on the development of liberty and the rule of law in China.

Only history can measure something that now is easily exaggerated by the hype of the moment, and by America's overexpectations of its ability to influence China. But the possibility should not be entirely dismissed.

Other benefits include bolstering the position of President Jiang Zemin and the relatively reformist group around him, which faces huge economic challenges. The trip will at least delay the onset of a protectionist backlash in the United States against China's trade surplus. It may help keep the military in check by giving it the impression that its modernization and renunciation of its goals are best served by cooperation with the United States.

On the debit side, the talk of a "strategic partnership" with China is both hollow and viewed with suspicion by others in Asia. The real strategic issues, such as the South China Sea, have been avoided. Meanwhile, India has with good reason been deeply offended by the use of the visit to gang up against it and seek to dictate the security policies of South Asian countries.

The "strategic partnership" may be hollow, but to suspicious minds in Asia the Washington-Beijing axis looks like a new form of hegemony.

While Mr. Clinton was in China, Treasury Secretary Robert Rubin toured Asia, criticizing Japan while praising China for its economy and its promise not to devalue the yuan again.

Whatever their concerns about Japan, Asian leaders know that China's economic weakness and huge trade surplus are also part of the Asian problem. China's financial sector is in a huge mess, and enterprise reform is grinding to a halt.

Mr. Rubin's praise of a China which strictly controls capital movements was bizarre given that the rest of the region is struggling with the consequences of the open capital markets and floating exchange rates promoted by Mr. Rubin and the IMF.

The double standard being applied in Asia as part of the Clinton China policy is clear vis-à-vis Taiwan. Democracy is good for China except, apparently, those who have it already. Taiwanese are not to be allowed to make their own decision on their status.

Mr. Clinton's statement on Shanghai that the Three N's — Beijing's formula for blocking Taiwan's attempts to expand its status — may not

have been new U.S. policy, but it was planned, and seen as very significant in Beijing and Taipei.

Beijing can live without WTO membership. Military technology and pressure on Taiwan are what it wants from America. Those are more substantive than a slowdown in China's help for arms development by Iran and Pakistan that Washington expects in return.

It may be that Chinese-U.S. mutual admiration will quickly fade when confronted with the realities of economics, the U.S. Congress and a cooler appraisal of U.S. relationships once memories of the visit have faded. However, it has startled some outside China into thinking about U.S. goals and how relationships may change over the coming years.

In particular, those who had looked almost exclusively to the United States may edge toward new accommodations of their own. Russia and Japan, India and Taiwan would make odd bedfellows. But one would have said that about Mr. Clinton and Mr. Jiang at the start of the decade.

The chances are that history will forget the Clinton visit as quickly as it forgot Mr. Jiang's visit to America. But for good or ill there is just a possibility that it was a watershed or a catalyst.

International Herald Tribune

Clinton's China Visit Signals a Major Reversal of Alliances

By William Pfaff

PARIS — President Bill Clinton's journey to China has brought a reversal of alliances. Mr. Clinton suddenly — implicitly, but unmistakably — declared China the United States' principal ally in Asia, at the expense of Japan, India and Taiwan.

The reasoning which led Clinton administration to do this remains an enigma.

According to an extremely well-informed analysis in The South China Morning Post, the Chinese government had hoped at best to be able to develop with Mr. Clinton the notion of "constructive strategic partnership" formulated at the first Jiang-Clinton summit, but expected no more than behind-the-scenes promises concerning Taiwan.

The Chinese had interpreted Washington's recent renewal of the Japanese-American security treaty as part of a project to impose American "hegemony" in Asia. Beijing had been unable to obtain reassurance that the treaty did not con-

cern Taiwan. The Chinese expected Mr. Clinton to continue to be evasive on this point.

Instead, the "constructive strategic partnership" was affirmed, directed against independent Taiwan — today a democracy, with less than 2 percent of China's population, but a dynamic economy nearly half as big as China's (in nominal GDP calculated at current market prices).

Mr. Clinton, at China's request, and in words dictated by the Chinese, affirmed America's commitment to the Three No's, engaging the United States to support the absorption of Taiwan by China.

The American position continues to be that this should be done peacefully and through negotiation. However, by announcing that the United States will not support Taiwan's independence, or a permanent "two-Chinas" solution, Mr. Clinton effectively abandoned the "only Chinese

democracy that now exists. This partnership with China is also implicitly directed against India, another democracy. Mr. Clinton and President Jiang Zemin issued a statement deploring India's recent nuclear weapons tests.

India deploring its nuclear weapons because of its fear of China. It now finds that the United States is the "strategic ally" of the country it considers a threat to its integrity.

America's reversal of alliances has been dramatized by Mr. Clinton's unprecedented decision, on Chinese demand, to avoid visiting Japan on a presidential Asian trip.

Thus it was, a considerable week's work, and it will have continuing repercussions in Asia and on the United States long after Mr. Clinton and his associates have retired to the golf courses and lecture circuits. They seem to have received nothing in return.

They not only have offered

no explanation for their Asian policy reversal but do not seem to understand the implications of what they have done.

There are plenty of explanations. Washington is annoyed with Tokyo's fiscal and trade policy. To move toward China is punishment. But annoyance with Japanese economic policy is an old and boring story.

Mr. Clinton wanted television exposure of a Chinese visit to get the Washington press off its morbid obsession with Kenneth Starr and Monica Lewinsky. He needed dramatic gestures, of a gravity that he possibly did not understand.

He is under pressure from business, where CEOs are often the victims of intellectual fashion and for a long time have been dazzled by the prospect of a billion new Chinese consumers — and simultaneously unmoved by the development of a prosperous middle class in India, where nearly another billion people live.

It is a fair assumption that no grand design lay behind this reversal of alliances. But as a result, Japan has been given reason to think that its well-being and security are strictly its own responsibility now, which is a development that could have enormous effect on Japanese internal politics.

Mr. Clinton has symbolically terminated the Japanese-American partnership, which since the 1950s has underlain East Asian security and world economic stability.

Taiwan has also been instructed that its survival as an independent democracy must now be guaranteed from its own resources — or through new regional alignments to contain Chinese ambitions.

Russia now finds that as an enlarging NATO advances on it from the west, the United States has declared itself the strategic partner of its old and dynamic rival in the east.

As I have said, it was a momentous week's work, which won't soon be forgotten.

International Herald Tribune
Los Angeles Times Syndicate

Palestinians Might Go Ahead and Declare Statehood

By Stephen S. Rosenfeld

WASHINGTON — A new dynamic is overtaking the stalemated Middle East peace talks. Palestinians are saying that if they can't get their principal goal of statehood from Israel by bargaining, they will take it by unilaterally declaring statehood.

Yasser Arafat apparently thinks that the fear of such a declaration may soften up Israeli negotiators. And if it does not, then the Palestinians, whose statehood aspirations enjoy broad international support, will be on good terrain to wage a vigorous diplomatic campaign.

In sure, the Palestinians will be on bad terrain to wage a military campaign, since the Israelis can bring superior power and discipline to bear. But that has always been so.

Any workable Palestinian strategy is bound to play on the deep divisions within Israel on the peace issue, and on the Palestinians' coming forward internationally to play David to Israel's Goliath.

A unilateral Palestinian declaration of statehood would likely further polarize Israeli politics. Wide recognition of a self-proclaimed state and a broad welcome at the United Nations could be expected.

Anxious voices warn that Benjamin Netanyahu's government would respond to a Palestinian declaration by breaking off talks on the Oslo accords for interim self-rule, by abandoning Israel's Oslo commitments to further territorial withdrawal,

and by annexing West Bank territory that now is on the negotiating table. We should not underestimate Mr. Netanyahu's determination and the pull of his political right.

The theory that he would be just as glad to have his arm twisted ignores the calculation that many of his supporters would see a Palestinian declaration not as a deliverance for him but as a sharp defeat.

The date on which Mr. Arafat might act is May 4, 1999. That is five years to the day from the signing of an interim Oslo accord that allotted two years for the sides to open final-status talks and three more years for those talks to produce peace. With more than four years gone,

those final-status talks have yet to begin. Even if they soon do, it is difficult to imagine that they will be successful, or at least look promising, by next May 4.

Will Mr. Arafat then take a page from the Zionist book and act? By his statements indicating that he will, he is painting himself into a corner. Certainly he will look foolish if he gets up to May 4, 1999, discovers that the Israelis are calling his bluff, and backs down.

He would then have to defend himself against the charge that, at a crucial pass, he sold out the nationalist cause whose most trustworthy champion he had claimed to be. The reaction of the Palestinian street to any such display is not a pretty thing to contemplate.

The weakness of the Arafat initiative is that, in his hands, it risks becoming a romantic gesture. For his strategy to be plausible and to have a chance to take hold, he must work through the complex practical problems of a unilateral declaration. Over what physical area will he assert statehood? How is any such assertion to be enforced against Israeli resistance? How are Palestinians meant to travel between the West Bank and Gaza? What about water? And so forth.

Mr. Arafat has ignored the specifics. To continue down this path of innocence, without

Urban Sprawl Disfigures Israel

By Thomas L. Friedman

JERUSALEM — So the Israeli government announces plans to extend the authority of the Jerusalem municipality over the hills and towns, primarily to the west and southwest of the Israeli capital. It says this is to improve city planning and services. Behind the scenes, everyone asks: What is this move really about? Annexation? Provocation? Better bus service?

The answer may be none of the above. According to the Society for the Protection of Nature in Israel — which knows every hill, forest and stone in the areas to be brought under this greater Jerusalem umbrella — what this is most about is real estate development.

For the past decade the Nature Society has been fighting successfully to limit development in the terraced hills and Jewish National Fund forests to the west and southwest of Jerusalem, explains Yoni Sagi, its chairman, who, along with Israel Kimhi, a former Jerusalem city planner, and Avram Shaked, the organization's conservation coordinator, gave me a tour of this area.

"Right now much of this land is controlled by the state and it is designated as forest and parks, with some open spaces reserved for farming," says Mr. Sagi. "In accordance with the national plan, you can't build on these lands, except with great limitations."

"It seems that the real estate

powers are hoping that if the authority for development of these open spaces is shifted from the national planning administration to Jerusalem municipal control, it will be easier to get the restrictions on building lifted — because of the high cost of housing within Jerusalem's current boundaries, the influence of developers on city planning, and because of the political incentive to build Jewish Jerusalem.

"Once you get your hands on green areas like this, and turn them into real estate, you are talking about big money."

Real estate money has been known to find its way into political campaigns in Israel, noted Mr. Sagi, and some people are not above using nationalism to mask their real interests.

The Nature Society is fighting this urban sprawl everywhere. If you planted a tree in the hills between Jerusalem and Tel Aviv, visit it soon. It may not be there much longer. By 2020 the area from Haifa to Tel Aviv to Jerusalem is likely to become "one big urban megalopolis," said Mr. Kimhi.

"We build here like we are living in Australia — more is better," adds Mr. Sagi. "But we're not Australia."

It's hard to stop, though. If population trends continue, Israel outside the Negev will soon be one of the most densely populated countries in the world. This population explosion,

coupled with the poor use of land inside Tel Aviv and Jerusalem — which results in these cities' building outward instead of upward — is increasingly devouring the biblical landscape.

The Golden Arches of McDonald's now dominate a prominent hill as you enter Jerusalem. If there were no Arab-Israeli conflict, the next big political party would surely be called "Green Now."

Israel can never limit Jewish immigration. But unless it gets much more sensitive about sustainable development, something essential to Zionism is going to be lost. "Every project that is approved against the national plan, and destroys open space, destroys part of Jewish heritage — the biblical landscape of David and Solomon's day," said Mr. Shaked.

The Bible refers to the vineyards of Ben Shimon. Today Ben Shimon is the biggest highway interchange in the country. We still speak about "The Land of Israel" in metaphysical terms, but we forget about the actual land.

Adds Mr. Sagi: "We have to change the culture here from conquering the land to preserving the land. Because if Israel should one day become a normal country, with no more wars, what will sustain us here is the quality of life and connection to the land. But if we keep to this trend, we will have no quality of life and no land to be connected to."

The New York Times

Herald Tribune

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Tel: (1) 41.43.93.00. Fax: Subscriptions: (1) 41.43.92.10; Advertising: (1) 41.43.92.12; News: (1) 41.43.93.38.
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S.A.S.: au capital de 1.200.000 F. RCS Nanterre B 753021126. Commission Paritaire No. 61337.
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HEALTH/SCIENCE

Earliest Fake Stone Is Discovered in Iraq

A Method Behind 'Bad Basalt'

By John Noble Wilford
New York Times Service

NEW YORK — On broad plains layered with silt from the Tigris and Euphrates Rivers, the people of ancient Mesopotamia managed to build the first cities and spreading empires without local sources of such raw materials of civilization as timber, metal ores and stone. What they could not import, they had to do without, or, as archaeologists have now discovered, learn how to make synthetic substitutes.

Last week, archaeologists and geologists reported finding the first evidence of artificial stone in the ruins of Mashkan-shapir, a city that existed about 4,000 years ago in what is now southern Iraq.

Artisans had apparently heated fine-grained alluvial silt to melting temperatures, then slowly cooled it to produce rock-hard slab resembling a type of volcanic rock called basalt.

Dr. Elizabeth Stone, an archaeologist at the State University of New York at Stony Brook, described the discovery in the current issue of the journal *Science* and in interviews. The findings were based on a recent geological analysis of 17 pieces of stone collected before the Gulf War in 1991, and more soil and stone samples borrowed from a museum in Baghdad.

Dr. Stone's excavations in the late 1980s established Mashkan-shapir as a relatively large city of 15,000 people in the early second millennium B.C., after the collapse of the city of Ur as the

center of power. After a brief period of glory, Mashkan-shapir declined and was abandoned in 1720 B.C. Its ruins disappeared in the desert until archaeologists began digging there in this century.

Some of the synthetic rock slabs, which measure about 30 inches (75 centimeters) long, 16 inches wide, and 3 inches thick, were found in ruins near one of the city's temples.

"I didn't think they looked right," Dr. Stone said in an interview. "I thought, ah, this is just bad basalt."

One of her colleagues, Dr. Donald Lindsley, a Stony Brook geologist, tested the slabs and linked them to local soils and to several hundred fragments of rock found across the site. He and other researchers satisfied themselves that the slabs were not merely slag from metal or pottery furnaces.

The synthetic basalt, Dr. Stone and her colleagues reported, "appears to have been manufactured in some quantity as a substitute for the natural basalt that had been used for grinding grain in all parts of the ancient Near East since the beginning of agriculture."

ASIDE from the coincidence of a scholar named Stone from a university in Stony Brook finding the earliest known fake stone, the discovery is noteworthy because it should provide new insights into the history of ancient technology, especially the innovative uses of fire in transforming raw materials into pottery, metal, plaster, and glass.

Such early production of synthetic



Dr. Elizabeth Stone in the desert where she found the artificial rock.

stone was previously unknown to historians, but its discovery suggests the existence of a creative collaboration between metallurgists and ceramicists in Mesopotamia about 4,000 years ago.

Dr. Stone and her associates said that the deliberate production of synthetic rock suggested that Mesopotamian artisans had learned the technology from their experience in smelting metals and baking pottery. The intense heats applied in those processes produced a byproduct of slag that bore similarities to volcanic rock.

The new evidence, the archaeologists said in their conclusion, "suggests that the potentialities of those byproducts as

a substitute for imported grinding stones was perceived and that the pyrotechnologies developed by potters and smiths were pooled in an experimental process that eventually yielded a consistent product."

Until Iraq is again open to archaeological work, Dr. Stone said, many questions about the artificial basalt will remain unanswered. She would like to return to Mashkan-shapir to search for the furnaces that were used for making the stone.

Finding the furnaces could reveal much about the actual process of making artificial stone about 4,000 years ago.

Vegan Diet: Hard For Kids to Swallow

Experts Disagree With Dr. Spock

By Jane E. Brody
New York Times Service

NEW YORK — Picture a childhood without ice cream or the occasional hot dog or burger at a birthday party or ball game. Picture in their stead organic applesauce, peanut butter and soy patties.

The larger are the kinds of foods children should be fed if they are to grow up lean and healthy, states the most influential book on bringing up children, Dr. Benjamin Spock's "Baby and Child Care."

In a radical shift from the nutritional advice offered in previous editions, the new seventh edition of this bible of child-rearing advises parents to provide an all-plant, or vegan, diet for their children after the age of 2.

Dr. Spock, who died in March at 94, just weeks before the new edition was published, had himself become a strict vegetarian in 1991, a change that his wife said greatly improved his failing health and enabled him to complete the revision of his world-famous book, which has guided parents for more than half a century.

But what an ailing man near the end of his life is willing to eat is not necessarily what American children and their already overworked parents could or would readily adopt.

The dietary change recommended in the book would mean getting all protein from plant foods like beans, nuts, tofu and other soy products and seitan, a protein concentrate made from wheat.

It would mean relying on vegetables, fortified plant foods and drinks and a daily vitamin-mineral supplement to provide needed amounts of essential nutrients like calcium, iron, zinc and vitamins D and B-12 that are most readily available from animal foods like meat, poultry, fish and milk.

It is not that this way of eating is unhealthy — quite the opposite. Avoiding the saturated fats and cholesterol in animal foods and consuming lots of fiber and nutrients from vegetables and fruits could go a long way toward reducing problems with heart disease, obesity, high blood pressure, gallbladder disease and even some cancers later in life.

But parents who decide to adopt Dr. Spock's nutritional advice should know that it requires careful meal planning and professional guidance to insure that

the children will not be shortchanged on needed nutrients.

Parents should also realize that it will not always be easy to prepare vegan meals for all occasions or to get children to eat them.

Placing children on a vegan diet is a recommendation that few experts in childhood nutrition endorse. Concerns center on the ability of small children to consume enough bulky plant foods to take in all the calories and nutrients they need to sustain normal growth.

Particularly worrisome are the calcium and iron that are best absorbed from milk and meats, respectively.

Instead, most experts, including nutrition advisers to the American Academy of Pediatrics, recommend a less radical approach to children's diets — a reduced dependence on animal foods, especially those high in fat and cholesterol, and more emphasis on plant foods that are excellent sources of the fiber, nutrients and phytochemicals that many studies have linked to protection against a wide range of diseases.

In its current Pediatric Nutrition Handbook, the academy points out that small children can do very well on a diet that is partly vegetarian (for example, includes no red meat or poultry but does include fish, dairy products and eggs) and on a lacto-ovo-vegetarian diet (dairy foods, eggs and plants) or lacto-vegetarian diet (with dairy products as the only animal foods).

FOR pure vegetarians, or vegans, the academy says parents must pay close attention to what their children eat to be sure that a wide variety of food is consumed and that meals are nutritionally balanced.

A vegetarian diet for children has to be a family affair. If you decide to feed your children a diet that restricts some, most or all animal foods, you have to be prepared to eat that way, too. If you expect children to stick to a vegan diet even when they eat away from home, you may have to pack take-along plant foods.

There are emotional and social concerns as well. Dr. T. Berry Brazelton, the prominent child behavior specialist at Boston City Hospital, noted that "most children in their second and third year are in such rebellion about food, it's hard to get them to eat any vegetables." This can put pressure on parents, he said, "who in turn will put pressure on their kids."

Want to Stay Healthy? Then Think Positive

By Susan Gilbert
New York Times Service

NEW YORK — People who look on the bright side have reason to be optimistic. Evidence suggests that they have healthier, longer lives than their gloom-and-doom counterparts.

For years, research has shown that optimists weather coronary bypass surgery better and that they live longer with HIV. Now a new study suggests that positive thoughts are also good for healthy people.

When under tremendous, unrelenting stress — in this case, the first semester of law school — students who were optimistic about doing well had more T-cells and natural killer cell activity than they had before the semester began. These immune factors, which help thwart infection, showed little change in the pessimists.

The findings strengthen the notion that thoughts and feelings can affect the immune system, said Dr. Suzanne Segerstrom, an assistant professor of psychology at the University of Kentucky in Lexington and the lead author of the study, which appears in the June issue of the *Journal of Personality and Social Psychology*.

Other research has found that the more stress people experience, the more likely they are to get colds. The new work raises the possibility that optimism may help prevent people from getting sick during stressful times, Dr. Segerstrom said.

"This study provides an important link in the optimism literature: immunological data," said Dr. Janice Kiecolt-

Glaser, a professor of psychiatry at Ohio State University College of Medicine in Columbus. Dr. Kiecolt-Glaser and her husband, Dr. Ronald Glaser, study how stress and emotions affect the immune system.

The study followed 90 healthy students just before they started law school through the middle of their first semester, a notoriously stressful period. In the beginning, blood tests revealed that all of the students had comparable levels of T-cells and natural killer cell activity. These measurements were repeated eight weeks later to see whether they had changed.

Meanwhile, each student filled out questionnaires that gauged two kinds of optimism: dispositional optimism, the students' expectations about life in general, and situational optimism, their expectations for success in law school specifically.

Though situational optimists also tend to be dispositional optimists, the relationship is not perfect, said Shelley Taylor, a co-author and psychology professor at the University of California at Los Angeles.

"Some immediate social factors can give you a sense of optimism about your situation, like whether there are things in your environment that give you a sense of hope," she said. "But dispositional optimism has a moderate genetic basis and is not easy to modify. By the time you're 25, you're not going to affect dispositional optimism a whole lot."

The study found that the more optimistic the students were, the greater the increase in the immune system

measurements. But the relationship was strongest for situational optimism.

The number of T-cells rose by 13 percent in the situational optimists but dropped by 3 percent in the situational pessimists. Natural killer cell activity was up 42 percent in the situational optimists but increased by just 9 percent in the situational pessimists.

Dr. Segerstrom said that she was not surprised that situational optimism was more closely tied to the immune system than dispositional optimism, because it reflected the students' attitudes about the stressful situation at hand, law school.

The study left two unanswered questions. One is why the optimists' immune systems got stronger once the pressure was on. The researchers suspected that the optimists had healthier attitudes and habits than the pessimists, that they perceived less stress, had less intense mood disturbances, exercised more and avoided smoking and alcohol.

BUT while the optimists did have these healthy traits, as measured by questionnaires assessing health-related traits, only mood and stress had any bearing on the immune system measurements, and it was small.

"This suggests that there's something we didn't measure about optimism that explains the immune system effects," Dr. Segerstrom said.

The other question is whether the immune system factors went up enough in the optimistic law students to reduce their risk of contracting colds or other infections. Though comparable increases have affected the course of illness in people whose immune systems were

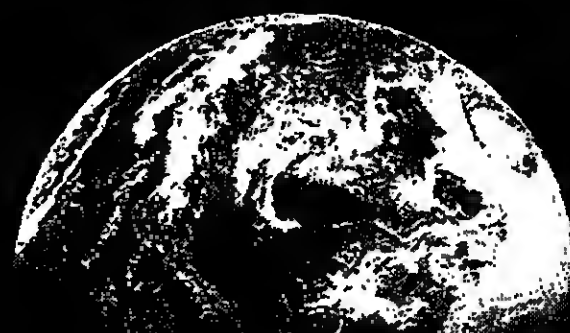
weakened by poor health, it is not known whether they would have any effect on healthy people, Ms. Segerstrom said.

Perhaps the most encouraging news from the study is that the brand of optimism that proved key is not a hard-wired personality trait, but something that pessimists can adopt with a little help, psychologists say.

"There's ample evidence that pessimists can become more optimistic," said Dr. Christopher Peterson, a psychology professor at the University of Michigan who has studied optimism.

from Daniel Yergin, the Pulitzer Prize-winning author of THE PRIZE...

THE AGE OF GLOBALITY

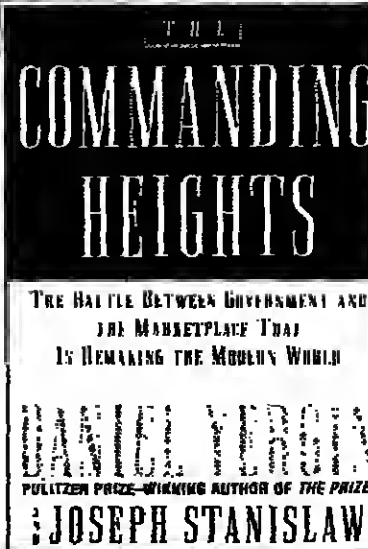


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LANGUAGE

A Birthday Game: Name That Nation

By William Safire

WASHINGTON — On this Independence Day weekend, it is fitting and timely to ask: Who coined the name *United States of America*?

In the year before independence, many in the colonies went with the name used by Benjamin Franklin in his July 1775 draft of an articles of confederation: *United Colonies of North America*. Another name, however, most famously appeared in print on July 4, 1776, in the Declaration of Independence, which was drafted by a committee that assigned the task to Thomas Jefferson. Its last paragraph referred to "the Representatives of the *United States of America*, in General Congress Assembled."

In our first exploration of this mystery a few months ago, it was reported that the widely accepted Jefferson coinage (written by Young Tom between June 11 and June 28, 1776) might have been antedated by two other citations: the first in a letter from a Continental Congress member, Elbridge Gerry, to General Horatio Gates dated June 25, and the second in a letter to The Pennsylvania Evening Post published on June 29, from the pseudonymous writer "Republicus."

Two letters have come pouring in. One is from a biographer of Thomas Paine, Professor Jack Fruchtman Jr., of Towson University, in Maryland, who insists that Paine's usage two years after the Declaration in his widely read "American Crisis" publicized the name. Call me a summer soldier or sunshine patriot, but common sense tells me that a popularizer is not a coiner. Comes now Ronald Gephart, last of

the editors of the Library of Congress's 25-volume "Letters of Delegates to Congress, 1774-1789." He searched his new CD-ROM of all that correspondence, then dug around in the Journals of the Continental Congress, and alerted me to his findings just in time for the nation's 222d anniversary.

Richard Henry Lee of Virginia was the Founder who made the motion on June 7, 1776, to declare "that these United Colonies are, and of right ought to be, free and independent States." His resolution led to the formation of three committees: one, starring Jefferson and John Adams, to draft a declaration of independence; another, including John Dickinson, the conservative Pennsylvanian, and Roger Sherman, to draft articles of confederation; and a third, including Dickinson, Adams and Franklin, to draft a treaty plan.

"All three committees began deliberating simultaneously," writes Gephart, "and continued to do so until the end of June. Jefferson accepted the responsibility for drafting the declaration, Dickinson the articles and Adams the treaty plan. But as many as 18 members of the three committees were working together to create these three fundamental documents in which *United States of America* was used for the first time."

So who came up with the catchy name for which the initials are not UCNA but USA?

The historian concludes cautiously: "The term was first coined by one or more members during the early deliberations of the three committees — between June 11, when Jefferson's committee began work, and June 17, when it appeared in the second draft of Dickinson's Articles."

Coinagists would give the edge to the conciliatory Dickinson (who refused to sign Jefferson's Declaration), partly because the first recorded surfacing of the phrase was his, and partly because he's not as famous as Jefferson and can use the recognition.

"A chilling sweat o'er-runs my trembling joints," says the frightened Quintus in Shakespeare's "Titus Andronicus." Such a flush of fear stimulates the sweat glands, which then cool the skin with perspiration, metaphorically dampening ardor and freezing action. In underworld lingo, the verb to *chill* is to change a warm body into a cool corpse.

When it was discovered last month that City College of New York had installed a surveillance camera inside a smoke detector outside a student meeting room, three graduate students sued the school on privacy grounds. Brad Sigal, a graduate student, said, "It definitely has a chilling effect."

This phrase has now become the great cliché in First Amendment and libel law. A *chilling effect* is one that intimidates, makes timorous and turns timid (all from *timere*, "to fear") the ordinary glib journalist, causing the sin of self-censorship.

Who coined it? Forget early cases about coolants. According to Bryan Garner, editor of the Dictionary of Modern Legal Usage, the earliest metaphorical use found so far was in 1899, by Vice Chancellor Henry Cooper Finney of New Jersey: "This letter the wife swears she interpreted as one of intentional discouragement to her return, and that it had a chilling effect on her."

New York Times Service

CAPITAL MARKETS ON MONDAY

Big Money Targets Mid-Term Bonds: Good Returns, Not Much Risk

Bloomberg News
NEW YORK — Some big bond investors are snapping up Treasury notes maturing in five or 10 years as they await signs the economy is slowing enough to prompt the Federal Reserve Board to cut interest rates.
"With no one expecting anything out of the Fed soon, we're starting to build our holdings in the five-year area," said Robert Fernald, a manager for Society Asset Management in Cleveland.
Treasury bonds rallied this week, pushing the yield on the benchmark 30-year bond to a record low of 5.37 percent on June 15.
U.S. markets were closed Friday for the Independence Day holiday, but the long bond closed Thursday at 5.60 percent, compared with the close last week of 5.64 percent.
Most gains last week came as tum-

bling Asian financial markets and a surging dollar sent international investors to U.S. government securities as a haven. The economy has now begun to show signs of slowing from its robust first-quarter pace, while inflation remains subdued.
Many investors reckon that five- and 10-year Treasuries look attractive because they pay almost as much interest as long-term bonds and run less risk if prices fall. Shorter-maturity Treasuries are now yielding nearly 97 percent of the return of 30-year bonds.
"There's more money to be had in the middle part of the curve," said William Dawson of Federated Investors in Pittsburgh. Yields there are "still above the lows reached in mid-January, while the long end is at new lows."
He said that Federated bought some Treasuries due in three to seven years in

recent weeks, betting that they have more room to gain because they have lagged bonds during the rally.
The longer the maturity, the bigger are the gains from capital appreciation as yields fall. But when interest rates climb, investors are hit with bigger losses.
Five- and 10-year notes yield 5.42 percent and 5.41 percent respectively.

U.S. CREDIT MARKETS

The central bank's target rate for overnight loans between banks is 5.5 percent.
Of course, investors who made the most bullish bet in 1998 — buying 30-year bonds — did the best. They reaped returns of 7.6 percent, compared with 5.2 percent for 10-year notes and 4.1 percent for five-year securities, when price gains and coupon payments are

taken into account.
"With the curve so flat, bonds are the only place to get some yield pick-up," said Mike Piper, a bond manager at Hartford Investment Management.
Bond prices gained Friday, with 30-year yields falling the most, after Japan's latest plan to fix its ailing banks disappointed some investors, and the U.S. employment report suggested the economy was losing steam.
Most of the gains came after Japan's plan failed to bolster expectations for a speedy improvement. The dollar hovered near 142 yen late last week, making Treasuries more attractive to international investors who convert the interest into their home currency.
"The employment report continues to show weakness on the manufacturing side," said Kent Newmark, a bond manager for Loomis, Sayles & Co. in San

Francisco. "It's tilting the odds from the possibility of the Fed's tightening to a neutral stance or even a Fed ease."
Fed policymakers held interest rates unchanged at a two-day meeting this week. Minutes of the previous meeting, on May 19, were released on Friday, showing that Fed officials voted 10-2 to hold rates steady. The central bank maintained its bias toward higher interest rates at the May meeting.
Yet bond investors appear less concerned about the threat of inflation and higher interest rates. Consumer prices were up 1.7 percent through the 12 months ended in May, below the 2.2 percent pace in the corresponding period last year.
"If you really love the market, buy the long bond," said Mr. Newmark of Loomis. "But if you're neutral buy the five-year. If the Fed does lower interest

rates, you'll still go along with the ride."
June Price Data Seen Benign
With the dollar rising and food prices falling, economists expect the June producer price index — which tracks the prices paid to factories and farmers for finished goods and is due for release next week — to be pretty benign, Bloomberg News reported.
Part of the credit goes to economic turmoil in Asia, where falling currencies have led to falling prices for goods shipped to the United States. That, in turn, forces U.S. companies to hold prices steady, or cut them.
"Clearly the international situation is helping to contain inflation, despite the labor shortage, and the PPI will show that," said Patrick Flaherty, associate economist at Fleet Financial Group.

Most Active International Bonds

The 250 most active international bonds traded through the Euroclear system for the week ending July 3. Prices supplied by Telekurs.

Argentine Peso

182 Argentine Prev 2.9944/04/01 58.829 5.990

Austrian Schilling

214 Austria 5 01/15/98 101.0500 4.950

British Pound

49 Arlington Fin 2 12/07/22 11.2500 4.5400
96 Arlington Fin 7 12/07/22 11.2500 4.5400
102 Britain 7 06/07/02 101.2300 4.8700
137 Britain 7 12/07/02 101.2300 4.8700
144 Arlington Fin 2 01/10/22 11.2500 4.9500
150 B 7 04/04/00 98.7500 7.8900
157 Credit Local 6 05/01/03 97.7500 4.5200
188 Thrua Fin 2 01/10/22 11.2500 4.9500
190 Halifax 6 04/03/08 99.5000 4.1100
200 Thrua Fin 2 07/10/03 71.6956 6.8200

Danish Krone

18 Denmark 8 03/15/06 119.7200 6.6800
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11 Denmark 6 11/15/07 108.4000 6.7000
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Strikers Stay Cheerful In the Magic Kingdom

The Show Goes On at Disneyland Paris

By Craig Whitney
New York Times Service

MARNE-LA-VALLÉE, France — Mickey Mouse has been on the picket lines at Disneyland Paris for almost two weeks. Captain Hook wants more money, and so does Pluto, who says he likes his work but hardly has a bone to gnaw on come the end of the month.

A more wholesome-looking group of French labor militants you could not hope to find, all with Disneyland regulation haircuts and cheerfully greeting French, German, Belgian and Italian visitors on their way in for an afternoon of entertainment.

"We love working here," said Arnaud M., a 26-year-old Parisian who dons a "Pluto" costume in the daily parades down Main Street U.S.A. when he's working, but was as reluctant to say so as he was to see his last name published in a newspaper.

"We don't want to spoil the illusion for the kids," he said as he and about 50 fellow strikers, some wearing prisoner costumes with ball and chain, demonstrated cheerfully for higher wages outside the amusement park's main gate. "And I don't want to run the risk of retaliation by management after the strike is over," he said.

French fascination with American popular culture is almost as strong as French attraction to the benefits of the European welfare state, but the clash produced a Disneyland strike as the summer season began now that the park is turning a profit, after starting up heavily in the red in 1992.

"Disney asked us to help them out at the beginning by making sacrifices, and we accepted," said Isabelle Perche, a member of the French Christian Workers' Confederation labor union who is a technician at the park. "Now they won't recognize they have an ob-

ligation to us." Euro Disney SCA, the company that runs the park, lost nearly \$1 billion in the 1992-1993 season under American management but then hired a French chief executive, Philippe Bourguignon, and lowered admission prices for the park, which is about half an hour east of Paris. It reported a profit of more than \$36 million last November, making 1997 the third consecutive year it was in the black.

Isabelle Clap, a spokeswoman for the company, said it was talking with the striking employees through the weekend in hopes of reaching a settlement. Only 40 out of 13,000 employees were striking Saturday, the company said, not causing any disruptions to its operations, including the parade, which had a full complement of 12 floats.

Few of the 13,000 were union members, Ms. Perche said, and none of the parade workers were, although hers is not the only union that has been offering them advice; the communist General Confederation of Labor union has also supported their demands.

"There are a lot of employees who sympathize with the demands they are making," Ms. Perche said. She said she earned about \$880 a month after payroll deductions and taxes, for a 39-hour week running attractions at the park, barely above the French minimum wage.

A youth who said he had played "Captain Hook" in the parade for five years said there had been as many as 200 Disney employees on the picket line. "Most of us earn about 7,500 francs a month gross," he said, the equivalent of about \$1,250. "What we want is recognition that under French law we should be paid as amusement park performance artists, which would give us about 9,500."



Striking Disneyland Paris worker joking with visitors outside the park.

French law also requires employers to pay about 40 percent in addition to payroll taxes and insurance and unemployment benefits, and grant all employees five weeks' paid vacation.

Other amusement parks in France are only seasonal, "Pluto" said, one of many reasons why he had been happy to stay at Disneyland, open 365 days a year, for seven years although he might have been able to find more lucrative employment elsewhere.

Michel Dompnier, the Disneyland Paris labor relations director, said that the company had increased wages by an average of 8 percent over the last three years, above the rate of inflation.

"The government has raised the minimum wage by about 2 percent a year, so mostly Disneyland has just kept even with that," one of the strikers said.

Disneyland employees in the United States probably made more money than their French counterparts by working overtime, Miss Perche said, but French practice was to discourage overtime and create jobs instead. Soon Disneyland, like all other French employers, will also have to reduce the work week to 35 hours, with no cut in pay.

"Our way of seeing things is different," she said. "I don't think you can compare the two worlds."

Disarray in Tokyo Over Tax-Cut Pledge

Prime Minister Backpedals Before Elections

Compiled by Our Staff From Dispatches

TOKYO — Prime Minister Ryutaro Hashimoto kept the world guessing Sunday about whether he intends a permanent tax cut to bolster the Japanese economy, saying the issue was still just a debate.

In a political embarrassment for the prime minister one week before national elections on July 12, Mr. Hashimoto was forced to put to rest campaign comments made last week that were interpreted widely as meaning permanent income tax cuts were possible after the election.

"I never said permanent tax cuts," Mr. Hashimoto told Television Asahi on Sunday. "I just said we would review the tax system to make permanent reforms."

"Of course, I don't think as a result of the reforms we would end up with a tax rise, but I can't guarantee a tax cut. It's possible it might also be neutral," he added.

On Friday, during a campaign stop in Kumamoto, Mr. Hashimoto was quoted as saying, "I expect the tax system reform will be implemented on a permanent basis, rather than in the form of a temporary tax cut."

The prime minister, who denied his comments were election-related, said his remarks had been misinterpreted because he has long held the view that tax reform is needed.

Mr. Hashimoto first made his com-

ments Friday, a day after Japan announced a plan to clear 77 trillion yen (\$555 billion) worth of problem loans through "bridge banks" to take over failed institutions. Although markets were briefly cheered by Mr. Hashimoto's comments, they held back from a major rally, fearing they were an electoral ploy that would not be carried through.

But on Saturday, Foreign Minister Keizo Obuchi appeared to confirm interpretation of the remarks as meaning permanent tax cuts were on the way, a view splashed on newspaper front pages.

"The prime minister himself mentioned making tax cuts permanent," Mr. Obuchi said. "He also mentioned lowering corporate taxes to global standards. We must keep a public promise made by our prime minister during campaigning."

But in a comment that raised questions about disarray in economic policymaking, the secretary-general of the governing Liberal Democratic Party, Koichi Kato, said Mr. Obuchi had "misunderstood" the prime minister's remarks.

The appearance, at least, of disarray was bad news for Mr. Hashimoto as Japan heads into the last week of campaigning before elections for half of the 252 seats in the upper house.

His party is expected to keep its majority. (AFP, Reuters, Bloomberg)

Seoul Says Budget Deficit To Widen Sharply in '98

Officials Hope to Spur Growth With New Outlays

By Don Kirk

International Herald Tribune

SEOUL — The Finance Ministry announced Sunday there would be a dramatic increase in the budget deficit this year as a result of efforts to stimulate an economy mired in a slump that officials admitted was far worse than anticipated.

The budget deficit, in the Finance Ministry's new stimulus program, would have to be 4 percent of South Korea's gross domestic product rather than 1.7 percent, the figure on which Korean officials settled with the International Monetary Fund three months ago.

Finance officials said the difference in percentages means that the deficit would rise to 17.5 trillion won (\$12.8 billion) from 7.8 trillion won.

By announcing new figures, the Finance Ministry hoped to set the stage for meetings with International Monetary Fund representatives starting Wednesday in which they will stress the need for a dramatic increase in government spending to rev up a wide range of fast-declining industries.

While deciding "to sharply expand its budget deficit to strengthen its fiscal function in economic restructuring," the ministry also pledged a cut in consumption and renewed efforts to bring in foreign investment and increase exports.

Ministry officials acknowledged that the plan to increase the deficit represented an abrupt revision of the earlier deficit ceiling worked out with the International Monetary Fund, which pieced together a package of nearly \$60 billion in loans to rescue the Korean economy in December.

The ministry disclosed its plan amid reports that the gross domestic product for the second quarter of this year was down 4 percent from the second quarter of last year. South Korea's GDP fell 3.8 percent in the first quarter from the first quarter of 1997.

The finance ministry announced its new budgetary needs after President Kim Dae Jung and chairman of the chaebol, or major conglomerates, agreed on a pact obligating the government to pump more funds into their beleaguered organizations. In return, the chaebol leaders agreed to move faster toward a "big deal" under which they would merge their entities with strong ones from rival chaebol.

"The government will do its best to ensure the stable supply of funds to finance exports and imports," said point one of the nine-point agreement.

The agreement pledged an extra 500 billion won in credit guarantees and another 1 trillion won for credit for expanding exports and imports by the small and medium-size enterprises that have been hardest hit by the economic crunch.

Government and industry leaders disagreed, however, on a basic question: where to get all the money needed for growth. Kim Woo Choon, group chairman of the Daewoo Group and chairman of the Federation of Korean Industries, which is made up of chaebol leaders, proposed establishment of a large bank with foreign partners.

Lee Hun Jai, chairman of the financial supervisory commission, a watchdog agency that shut down five banks last week, warned against building such a bank on the basis of ever more loans and demanded full disclosure of the sources of funds.

Adding to financial worries, thousands of workers protested Sunday against both the shutdown of the banks and plans to privatize a number of major industries.

"Unite and fight," said the headbands and signboards held by several thousand fast-moving workers gathered in the vast square beside Seoul Station in the heart of the city. Several thousand more workers from companies in which the government owns stakes marched through downtown Seoul.

New War in Russia: Collecting Taxes

By Michael R. Gordon
New York Times Service

MOSCOW — Wearing black ski masks, a phalanx of gun-toting Russian tax police officers swept into a dingy warehouse last week and confiscated thousands of shiny bottles of vodka complete with phony alcohol tax markings.

The tax-cheating owner managed to escape, but Boris Fyodorov said he was not discouraged.

"We are going to use our powers to the fullest," Russia's new tax chief said. "They clearly weren't being used before."

Brash, wealthy and supremely self-confident, Mr. Fyodorov is the head of the State Tax Service, the most difficult job in Russia. In a country where tax avoidance is a national pastime, tax collectors have come and gone with little to show for their efforts but a ballooning government budget deficit.

Yet if anyone can change the system it just might be Mr. Fyodorov, the eco-

nomic reformer turned wealthy investment banker who is a veteran of Russia's tough-and-tumble politics. He is a rare official who delights in stepping on a few toes.

"I have been in the government twice, and by the time I leave a lot of people feel pain," he boasted in a recent interview.

Only a month in office, Mr. Fyodorov has been trying to dole out more pain. He took on Gazprom, Russia's most powerful company and one of the nation's biggest tax delinquents.

He ordered his agents to draw up a list of Russia's 1,000 wealthiest citizens, put himself on the list, and decreed that every one of them would be audited.

And in an effort to scare tax deadbeats, he has begun a series of highly publicized raids, like the one on the vodka warehouse. In one instance, his inspectors went door-to-door in one of Moscow's fanciest apartment buildings looking for people who were secretly subletting their apartments and not reporting the extra income.

"Mr. Fyodorov has put his stamp on the Yeltsin government's plans to overhaul the tax laws. He wants lower corporate tax rates to stimulate economic growth and encourage companies to pay their taxes. He has also pushed for a flat tax on personal income."

With Russia trying to contain a budget deficit and struggling to prop up its currency, collecting taxes has never been more critical.

Any sign that Russia is serious about collecting revenue would likely calm the stock and bond markets and, most important, impress the International Monetary Fund, which is negotiating the terms of a new multibillion dollar loan for Russia.

Getting Russians to pay their taxes, however, will require nothing less than an act of virtual religious conversion.

Only a million Russians filed tax returns in 1997, a tiny fraction for a nation with 147 million people. There are plenty of skeptics who think Mr. Fyodorov, a 40-year-old loose wolf, will fail.



Boris Fyodorov, the tax enforcer.

"You can carry out kinds of checks and investigations and change the head of the tax service 35 times," Grigori Tomchin, the head of a trade association said to Russian journalists.

"The situation will not change. It won't be possible to do anything until the debts of enterprises are restructured."

Tea Planters in Darjeeling Defend Their Pedigree

Reuters

DARJEELING, India — Tea planters in India's Himalayan town of Darjeeling have launched a campaign to protect tea carrying the "Darjeeling" brand from alleged foreign imitation, trade officials said Sunday.

The Darjeeling Tea Planters Association said a watchdog had been appointed to detect if tea dealers in other countries were selling "Darjeeling-type tea."

"A Belgian watchdog agency, Compumark, was appointed on March 1 to detect use of the word 'Darjeeling' in branded tea in the international market," said A. K. Lohia, chairman of the association.

"People are mistaking the name 'Darjeeling,'" he said. "Last year, world tea production fell and prices rose by 30 percent, but Darjeeling tea's prices did not rise due to the misuse."

"Darjeeling tea is the champagne among teas," Mr. Lohia said. "Its unique flavor cannot be replicated anywhere else in the world."

The association has approached the state-run Tea Board and the Commerce Ministry to take steps to protect tea planters of Darjeeling, who export more than 70 percent of the 10 million kilograms (22.5 million pounds) of tea produced every year in the region.

The Tea Board chairman, S. S. Ahuja,

declined to comment on the alleged misuse of the Darjeeling logo, but said the government would protect the interests of planters.

The federal government is expected to introduce legislation to protect geographical indications like Basmati Rice and Darjeeling Tea as stipulated under the Trade Related Intellectual Property Rights Agreement.

The legislation will be introduced in the next session of Parliament," Commerce Minister Ramakrishna Hegde said last week.

The legislation will protect goods whose quality can be attributed to their geographical origin.

Mr. Lohia said Darjeeling tea, planted more than a 100 years ago, got its flavor from the region's soil chemistry, altitude, cool Himalayan breeze and the rainfall.

India, which has an 18 percent share of the world tea market, exported 203 million kilograms of tea out of 811 million produced in 1997. India accounts for 30 percent of global output.

CYBERSCAPE

Europeans to Meet on Internet Names

Reuters

RUSSELS — A debate over who should manage the Internet shifts to Brussels this week, with European industry representatives set to push forward a U.S. plan for reforming the network's name and address system.

The meeting on Tuesday, organized by the European Commission, is a prelude to a conference in Geneva later this month where the Internet's leading lights will try to agree on a framework for a new nonprofit corporation that will manage the address system.

The Europeans will be looking to ensure that they are fully represented within the new corporation — a sensitive point because initial U.S. proposals were criticized for failing to take a global approach.

"If Americans want the Internet to become truly global, which is economically very good for them, they have to be proactive about regional representation in the new corporation," said Daniel Kaplan, vice president of the French chapter of the Internet Society.

The debate involves a plan issued last month by the U.S. Commerce Department for phasing out U.S. government management of the Internet address system that allows users to call up World

Wide Web pages or send electronic mail.

The program asks the private sector to set up a new entity, representing the interests of industry and consumers across the world, to take up questions such as how to relieve the growing commercial pressure for new address names.

One of its most pressing decisions will be whether to add new "generic top level domains" — the suffixes such as .com, .net and .org at the end of Internet addresses.

It will also have to decide how to end the monopoly of Network Solutions Inc., a U.S. company under government contract that now registers names in those three domains.

Jonathan Robinson, managing director of the British Internet services company NetBenefit, said he was ready to compete with Network Solutions and is worried that talks over a name-registration system will drag on.

It is critical to add new top level domains quickly, he said. "There is a real demand. It's like a mine, a finite resource. com as a mine has been mined out."

NetBenefit, which registers Internet names ending in the .uk country-code suffix, is a member of the Geneva-based Internet Council of Registrars, or CORE.

CORE, which represents 87 registrars in 23 countries, was ready to implement a new system for Internet addresses in March but had to put it on ice when the United States issued its own draft plan in February.

That plan was revised to take account of criticism from the European Union and others — and CORE now generally supports the U.S. approach.

But it wants to ensure that it is represented on the new corporation's board, said CORE's secretariat coordinator, Alan McCluskey.

Mr. Kaplan said he would raise his concern at the Tuesday meeting about the "bottom-up" industry-led approach advocated by the U.S. Commerce Department because he is not convinced that the private sector can manage the address system entirely on its own.

The Internet community is made up of diverse interests that have so far not reached a consensus about how to govern the global network, he said, adding that international organizations should be involved. "Somebody has to mediate a bit," he said.

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CURRENCY RATES

Cross Rates	July 3
Australia	1.44
Canada	0.69
Denmark	6.46
France	6.55
Germany	1.36
Italy	1.36
Japan	109.24
Netherlands	2.20
Sweden	8.46
Switzerland	1.48
UK	0.63
US	0.75

Other Dollar Values	July 2
Canada	0.69
France	6.55
Germany	1.36
Italy	1.36
Japan	109.24
Netherlands	2.20
Sweden	8.46
Switzerland	1.48
UK	0.63
US	0.75

Peugeot Deal in Iran

Accord Highlights Growth Outside Europe

Compiled by Our Staff From Dispatches

TEHRAN — PSA Peugeot Citroen, France's largest carmaker, said Sunday it would expand its presence in Iran, introducing production of its compact 205 model and renewing an existing partnership agreement for production of a bigger sedan.

Under the new pact, Iran Khodro, Iran's leading carmaker and Peugeot's local partner, is to begin production of the Peugeot 205 late next year, with annual production scheduled to reach 50,000 units, Jean-Martin Folz, chairman of Peugeot, said.

Peugeot said it was aiming to make 25 percent of its sales outside of Western Europe by 2000, up from 16 percent last year.

The company said it also planned to invest \$1.2 billion in Argentina, Brazil and Uruguay over the next five years to catch up with investments made by its rivals.

"The reinforcement of the cooperation between Iran Khodro and Automobiles Peugeot cements the desire for a strong policy of development outside of Europe," Peugeot said. "Iran is part of the primary market for PSA Peugeot Citroen."

The agreement also extends for 10 years Iran Khodro's 1988 contract to assemble Peugeot's 405 model. More than 90,000 models have been built, and Iran Khodro is expected to produce another 25,000 405's this year, with local input of 60 percent.

(Reuters, Bloomberg)

Figures as of close
of trading Thursday, July 02

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Investment in

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Serial Acquirers' Maze Confounds Investors

Analysts Little Help in Complex Game

By Reed Abelson
New York Times Service

NEW YORK — They are serial acquirers — companies that play Pac-Man by gobbling up other companies, paying for the purchases with high-priced stock.

It's a cycle that feeds voraciously on itself: The more a company acquires, the higher the stock price, the higher the stock price, the more the company acquires.

The buyers include such companies as Republic Industries, NationsBank, Cendant and WorldCom. They promise investors that they will make money by transforming industries, providing tremendous economies of scale and greater efficiencies.

Early in the cycle, it may indeed work out that way. But investors can find it impossible to tell when the game is about to come to a grinding halt — rudely punishing the acquirer's stock.

Shares in the newly formed Cendant Corp. lost nearly half their value, for example, after the company disclosed in April that one of its businesses, the former CUC International, had overstated earnings. Waste Management's troubled accounting and ill-fated diversification attempts eventually crushed its shares and are driving the company into the arms of a rival.

U.S. Office Products' profits have slumped and the company recently ended up spinning off four units composed of some of its purchases.

What all serial acquirers — the successful and the not-so-successful — have in common is that their finances can confound even the most sophisticated investors.

Buyers of these companies' stocks must decide whether to risk being swept up in the deal-making in the hopes of riding a stock up further.

The sheer complexity of putting together dozens of companies or more — in each of its most frantic years, Waste Management bought as many as 100 companies — makes it nearly impossible to see whether the

acquiring company's strategy is working.

Adding to the confusion is that many of these companies employ accounting sleight of hand; in perfectly legal maneuvers, they mask the real cost of their acquisitions through write-offs, leaving the buyers looking more profitable than they really are.

In sorting this out, investors get little help from Wall Street analysts, who often play along. After all, corporations can come down hard on naysayers.

Thomas Brown, until recently a banking analyst for Donaldson, Lufkin & Jenrette, long criticized the acquisition strategy of First Union Corp., which has made more than 70 acquisitions since 1985. As a result, he said, he was excluded from one-on-one meetings at First Union's headquarters in Charlotte, North Carolina. (First Union said it had never refused to meet with Mr. Brown.)

Another analyst, who asked not to be identified, recalled being threatened with a lawsuit by one serial acquirer after publicly questioning its purchases. "Why the heavy-handed treatment? So much depends on the stock price," he surmised.

Analysts can also be reluctant to look too closely at any one transaction for fear that their company might lose the lucrative investment banking fees on the acquirer's next deal.

A result of this combination of complexity and analysts' see-no-evil, speak-no-evil approach is that the guidepost usually followed by investors — the analysts' estimated growth rate of earnings — can vary so wildly for these companies as to be nearly meaningless.

Analysts following WorldCom, for example, peg its annual earnings growth rate at anywhere from 20 percent to more than 50 percent, a range that suggests they are doing little more than guessing.



Edward Crutchfield, chairman of First Union, a serial acquirer.

Enthusiastic analysts are not always wrong, of course, and many investors enjoy long rides up with the stock of acquisition-happy businesses.

"Lots of companies have successfully changed the profitability of an industry by acquiring," said John Ballen, the chief equity officer for MFS Investment Management in Boston, citing Republic Industries, Computer Associates and Cardinal Health as examples.

But other seasoned investors and analysts are so wary of the serial acquirers that they simply steer clear.

"I don't feel comfortable covering a company that makes so many acquisitions," said Stephen Sanborn, the research director for Value Line of New York, which provides stock analysis to individual investors.

Value Line does not cover Starwood Hotels & Resorts, for example, whose buying spree of about 40 businesses in the last three years includes this year's purchase of ITT Corp. for \$15 billion.

As a company gets larger, said Robert Olstein, a portfolio manager in Purchase, New York, "the pressure on keeping that going is growing." Mr. Olstein, who has spent decades scrutinizing companies' financial statements, also avoids these

stocks. Eventually, he said, the chief executive "reaches too far," making an acquisition that leads the company to stumble.

Sometimes, of course, the game goes on so long that analysts and investors catch on.

First Union has been engaged in its feeding frenzy for more than a dozen years, and the drops in its stock price after several of the bank's recent acquisitions indicate that many on Wall Street have grown tired of the game.

But because of the deals' complexities, the so-called experts can be just as ignorant as the average investor about an acquirer's true performance, and the rapid rise in many of these companies' stocks suggests that the game remains as popular as ever.

Looking at the financial results of a serial acquirer is difficult enough — the footnotes in its reports are full of references to actual results and pro forma results.

But making it even more difficult to decipher performance are accounting techniques that allow companies to erase "goodwill" — a measure of how much a company pays over the book value of an acquisition — and thereby ensure that their future earnings do not reflect the hefty price of their purchases.

South Africa Taps Bank Chief

Labor Minister Will Prep for a Year Before Taking Post

Compiled by Our Staff From Dispatches

PRETORIA, South Africa — The South African government said Sunday that Tito Mboweni, the country's labor minister, will be the next governor of the South African Reserve Bank when Chris Stals' term ends in August 1999.

Mr. Mboweni, 39, will resign as labor minister on July 18. He will spend part of the next year abroad studying, including at the International Monetary Fund and the World Bank, in preparation for his new job leading the central bank, Deputy President Thabo Mbeki said.

By announcing a successor to Mr. Stals, the government is trying to shore up international investor confidence in South Africa following a slide in the rand.

The currency has lost more than a fifth of its value since the beginning of May as economic crises in Asia and Russia increased investors' perception of risk in other emerging markets.

The currency's latest plunge gave rise to speculation, denied by the government, that it had asked Mr. Stals to resign over his handling of the currency crisis. Many investors, traders, and economists have been calling for the government to appoint a successor to ease concern in the financial markets.

Speculators are expected to use the appointment of South Africa's first black central bank governor as another excuse to batter the rand, but some economists see the decision as a bold move that will bear dividends.

Mr. Mbeki said that Mr. Mboweni, who has locked horns with business in his campaign for labor reform in South Africa, was the best choice for the job, according to government spokesmen. The government said Mr. Mboweni will carry on the tradition of the independence of the central bank enshrined in the constitution.

Mr. Mboweni had been suggested as a possible replacement for Mr. Stals in the past, and traders said talk surfaced in London late in the week that he might be picked. Still, some executives said his appointment came as a surprise and may not immediately bolster international confidence in South Africa.

"It's an unanticipated move," said Mike Vosloo, group chief executive of Standard Bank Investment Corp., South Africa's second-biggest bank by assets. "Ooo's going to have to wait and see exactly what kind of performance he'll achieve as governor. He's done a good job in a different portfolio, and he has the political affiliation."

The rand fell to its ninth record low in 12 days on Friday, with the dollar rising to 6.46 rand after the central bank's statement Thursday that it had taken on \$4.6 billion in foreign-exchange

liabilities to shore up the rand during June.

Meanwhile, South Africans were taking a more measured view of the appointment.

"I am entirely favorable towards the decision, although it is quite possible that the initial market reaction will be adverse," said Ted Osborne, a consultant economist to Absa Securities in Johannesburg.

"Dealers may initially dismiss Tito as a political appointment, but that would miss the advantages he brings to the job — political credibility, economic literacy and an outsider's view to the bank," Mr. Osborne said.

Mr. Stals, an Afrikaner, has won respect in the international financial community for his determination to squeeze inflation, although at home he is blamed for slow growth.

(Bloomberg, Reuters)

IBM Pulls Back In Argentina

Bloomberg News

ARMONK, New York — International Business Machines Corp., the world's largest computer maker, has said it will stop directly seeking computer-engineering contracts with Argentina's government as it faces federal allegations of bribery in that country.

IBM will shift its sales force to the private sector and will sell computer systems to the government only through local distributors, Fred McNeese, an IBM spokesman, said over the weekend.

"We'll handle the government through our local business partners," he said. He denied a report that IBM's Latin America group would stop seeking contracts with all governments in the region.

"It's just in Argentina," he said. Argentina has charged two former IBM executives and two U.S.-based IBM employees in connection with the alleged payment of up to \$37 million in kickbacks in the award in 1994 of a \$250 million contract with state-owned Banco de la Nacion Argentino, Argentina's largest bank.

In June, an Argentine judge, Adolfo Bagnasco, asked for the extradition of the four men, charging them with bribery and defrauding the state.

The arrest warrants were part of the Judge Bagnasco's investigation to determine whether IBM's head office knew about the alleged bribery.

The Other Rolls-Royce Says VW Still Can't Put the Name on Cars

The Associated Press

LONDON — Volkswagen AG completed its purchase of Rolls-Royce Motor Cars Ltd. late last week but may be missing one of the most important parts of the deal — the legendary Rolls brand name.

The No. 1 German carmaker, which bought Rolls-Royce from Vickers PLC for \$780 million, still has no deal to use the Rolls-Royce name and logo, according to Rolls-Royce PLC, the jet engine maker. Rolls-Royce PLC says it retains control of the brand.

Volkswagen is "aware of our rights to the name and trademark," said Martin Brodie, a spokesman for Rolls-Royce PLC. "We've not had any detailed discussions."

Vickers has said an old agreement giving Rolls-Royce PLC a veto over a foreign purchase of the car company is enforceable. The two Rolls-Royce companies were separated in the 1970s.

SHORT COVER

Airline Links to Get Tentative Nod

BRUSSELS (AFP) — The European Commission will give a conditional green light this week to two planned aviation alliances between European and American companies, a commission spokesman said Sunday.

The EU commissioners will give their ruling Wednesday on the planned alliance between British Airways and American Airlines and on the link involving Lufthansa, SAS and United Airlines.

The final decision on whether to allow the alliances will come in October, after the interested parties have had time to react to the conditions proposed by the commission, which are expected to require that the airlines give up takeoff and landing slots.

The BA-American proposal, which would create the world's biggest and most powerful airline alliance, would still need approval by the British government and U.S. authorities. The alliance has been vigorously opposed by BA's competitors, particularly Richard Branson's Virgin Airlines.

Shell May Be Seeking a Partner

LONDON (Bloomberg) — The Royal Dutch/Shell Group said Sunday it was not ruling out the possibility of seeking an alliance partner in Europe, although it declined to comment on a report that it plans to link up with Texaco Inc.

Eric Nickson, spokesman for the Anglo-Dutch oil group, said that Shell was evaluating further ways to revitalize its oil refining and fuel marketing unit in Europe, a month after it announced the closure of a refinery near London because the refining business is overburdened by a fuel glut in Europe.

Hurdles Facing Monetary Union

CONSTANCE, Germany (Bloomberg) — Unemployment and a lack of resolve among states to control deficits will be the first obstacles to the smooth running of European monetary union, according to Oskar Issing, the European Central Bank's chief economist.

The high level of unemployment in the monetary union area, which stood at 11.3 percent in April, is a "depressing burden," Mr. Issing said in remarks prepared for a speech at the University of Constance, where he received a doctorate. "The impending dangers for monetary policy are obvious."

Foreign Investment in China Falls

BEIJING (AFP) — Utilized foreign investment in China fell 6.85 percent in May and will continue to drop through the year as the Asian financial crisis deepens, the State Trade and Economic Commission said Sunday.

Realized foreign investment reached \$3.17 billion in May, 6.85 percent below the May figure in 1997, said Cao Derong, a commission official.

"The decline of realized foreign investment arose mainly from the battered investment capacity of China's major investors in Asia," Mr. Cao said.

Air Afrique said Sunday that credit insurers were seizing four A310-300 planes at midnight Tuesday because of the nonpayment of arrears on its debts. (Reuters)

Shares in Luxembourg's Societe Europeenne des Satellites have been priced at 6,000 Luxembourg francs (\$160) each in an initial public offering, the company said Sunday. (Reuters)

Director Marketing and Business Solution

The position will be responsible for developing and implementing marketing plans, supporting the Sales force in achieving the Sales goals and monitoring the results, thus leading to business growth and customer satisfaction.

Key tasks are to develop and implement marketing plans; to monitor the progress and adapt in order to optimise short-term results and long-term strategy; to be the main interface with Corporate Marketing including product research and development, sector marketing and commercial planning; to drive business solutions required by customers in co-ordination with all internal and external clients; to manage marketing communication; to give full support to Sales activity from a technical and process standpoint.

The ideal candidate, aged 32/40, has a successful experience in strategic and operation marketing and in Sales support, achieved in a competitive and preferably Telecom environment; good expertise in marketing planning in a high-tech and fast changing industry; Marketing or Business degree; excellent creative and communication skills; management skills and team player in a multidisciplinary matrix environment. Ref: 273

Director Business Planning & Financial Performance

This position will be responsible for planning and controlling the business and financial performance of the area.

Main tasks are to manage the Sales Contract approval process; to prepare and develop the business plan in co-ordination with Corporate and Area Marketing; to forecast and monitor revenue, costs and commercial results; to be responsible for efficient billing processes; to prepare business cases and financial analysis of major sales and other commercial projects.

The ideal candidate, aged 32/40, has a Business/Finance University degree; minimum 8 years of business and finance management, experience in a commercial and competitive environment; outstanding planning and organisation skills; excellent interpersonal communication, negotiation skills and strong customer focus. Ref: 277

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Director Customer Service

The position will be responsible for achieving customer satisfaction goals in the area.

Key tasks are to plan and implement measures to achieve customer satisfaction objectives; to be responsible for implementing and monitoring the Service Level Agreements process; to promote a culture of customer satisfaction among all parties involved; to establish a close relationship with Internal and external clients thus to ensure that delivered services meet or exceed customer expectations; to measure and monitor customer satisfaction; to recommend and take joint action to improve customer satisfaction. The ideal candidate, aged 32/40, has a proven successful experience and motivation in the management of customer expectations, has strong commercial and business awareness; outstanding drive and motivation for improving customer service; excellent leadership and interpersonal skills, as well as the ability to establish and maintain high level contacts. Ref: 275

Director Sales, South Europe

The position will be responsible for achieving commercial targets in the South Europe region, by building and managing a world-class sales force and enhancing customer satisfaction.

Main tasks are to achieve revenue and new business targets, to manage, develop and motivate a highly professional sales force of about 25; to be responsible for managing his sales cost budget; to develop a high level of satisfaction among its customers and exceed customer expectations; to implement effective forecasting and reporting systems and procedures.

The ideal candidate, aged 32/40, has five years or more proven success in sales management in IT and/or Telecoms products and services; creative and able to promote innovative solutions; team leadership strengths; outstanding communicator and negotiator; strong customer focus. Ref: 279

PA Consulting
Group

NASDAQ NATIONAL MARKET

Consolidated prices for all shares traded during week ended Friday, July 5.

(Continued)

Stock	Div	Yld	100	High	Low	Chg	Chg
Alcoa	1.20	4.8	38.50	38.50	38.50	0.00	0.00
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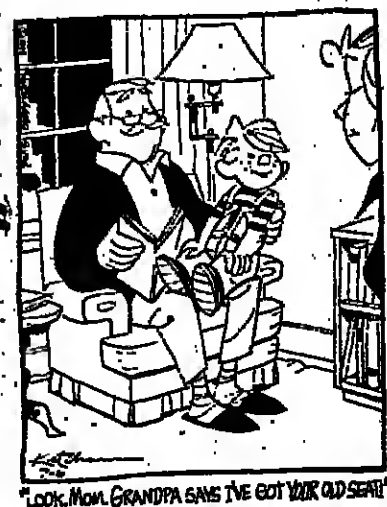
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DENNIS THE MENACE



JUNBLE
Unscramble these four letters, one letter to each space, to form four ordinary words.

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ZYIZD
CADILP
ZEFYRN

Print answer here: _____

Answers: 1. HUSBAND 2. DIZZY 3. PLACID 4. FRYN

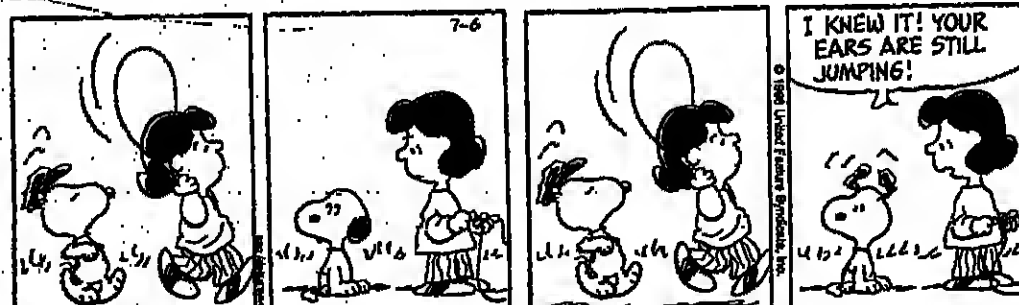
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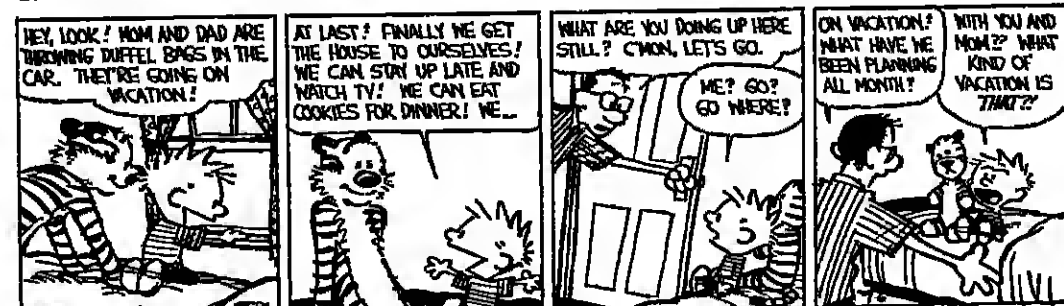
BEETLE BAILEY



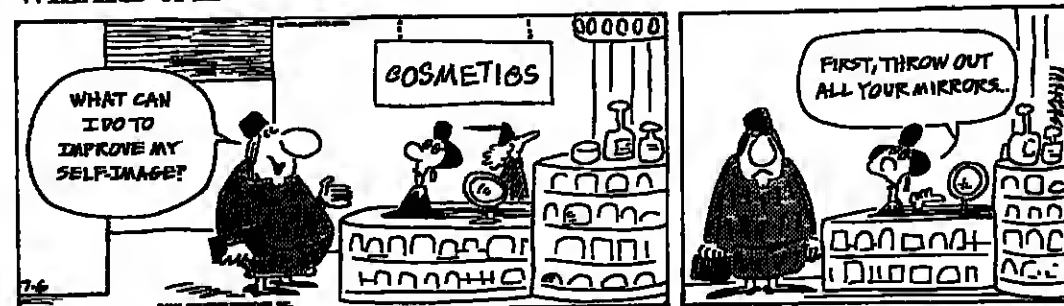
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WORLD CUP

WORLD CUP BRIEFS

Referee Sets Record

Arturo Brizio Carter, a Mexican referee, broke the World Cup red card record in sending off Argentina's Ariel Ortega and Dutch defender Arthur Numan.

"Brizio Carter has now sent off seven players in his six World Cup matches and has thereby put himself ahead of the pack," Keith Cooper, a spokesman for FIFA, world soccer's governing body, said Sunday.

Cooper went on to praise Brizio Carter for giving Ortega a yellow card for diving Saturday before sending the player off.

"His reaction was absolutely correct," Cooper said. "It's cheating and it's a yellow card."

Joel Quiniou, a Frenchman who refereed eight World Cup matches, more than anyone else, sent off five players.

Brizio Carter made his World Cup debut with the 1994 match between Germany and Bolivia in Chicago. He sent off Bolivian substitute Marco Elcheverry four minutes after the player had come on. In his next match, in San Francisco, he dismissed Cameroon's Rigobert Song against Brazil. Then he sent off Italian forward Gianfranco Zola after 76 minutes against Nigeria. The player had only been on for 12 minutes.

This time, Brizio Carter sent off two players as France played Saudi Arabia. Zinedine Zidane of France for stamping and Mohamed al-Khalaiwi of Saudi Arabia.

"I don't think it has anything to do with the referee in question, Brizio Carter. It just happens to be that he was in the wrong place at the wrong time or the right place at the right time, whichever way you want to look at it," said Cooper.

Cooper said FIFA was concerned about players trying to hoodwink referees by diving.

"A lot of players are damned good at it and it's not very easy to distinguish between a genuine foul and a dive," he said.

"I heard one comment from a coach that surprised me: He told his players if they got a chance, 'to take a dive.' That is to be totally condemned." (Reuters, AFP)

England Star Player Hurt

England midfielder Paul Ince told British Sunday newspapers he had played in the World Cup despite having a broken ankle bone.

Ince played with his left ankle strapped. He said he was injured in a tackle in an English league match in May.

Vogts Stays, Players Go

Berti Vogts said Sunday he would stay on as Germany's coach but intended to revamp his side for the 2000 European Championship qualifying competition, which starts in October.

"Euro 2000 gives us a chance to bring in young players who have potential," Vogts said the day after Germany lost to Croatia.

"The problem is not enough young players are given their chance in the Bundesliga," he said.

RESULTS AND SCHEDULE

QUARTERFINALS	
JULY 4, IN MARSEILLE	
Brazil 3, Denmark 2	
Netherlands 2, Argentina 1	
France 2, Italy 1	
Denmark 2, Argentina 1	
France 2, Italy 1	
JULY 5, IN MARSEILLE	
Netherlands 2, Argentina 1	
France 2, Italy 1	
Denmark 2, Argentina 1	
France 2, Italy 1	
JULY 6, IN MARSEILLE	
Netherlands 2, Argentina 1	
France 2, Italy 1	
Denmark 2, Argentina 1	
France 2, Italy 1	
SEMIFINALS	
JULY 7, IN MARSEILLE	
Brazil 3, Denmark 2	
Netherlands 2, Argentina 1	
France 2, Italy 1	
Denmark 2, Argentina 1	
France 2, Italy 1	
THIRD PLACE	
JULY 11, IN PARIS, SPAL	
Denmark 2, Argentina 1	
FINAL	
JULY 12, IN PARIS, SPAL	

All times local. When matches are drawn after 90 minutes, teams start to play two 15-minute periods of extra time. Play now stops immediately when one team scores in extra time—a "golden goal" for the winner. Sudden death for the loser: if no goal is scored in the 30 minutes, the match is decided by a penalty shoot-out.

CUP: Croatia Emerges as Strong Contender as It Heads Into Semifinal Against France

Continued from Page 1

in its locker room and, giddy with victory, told the players they could make it to next Sunday's final.

"He was like a little child," Bilic said.

Croatia is a team with great confidence, rough strength, a compact defense that has allowed only two goals in five matches, and a prideful nationalism forged from its war of independence from Yugoslavia. Peter Krpan, a substitute forward, fought against the Yugoslav Army. Asanovic said he lost two close friends, Igor Stimac, a defender, said his brother served in a triage unit.

The soccer players continued to play their sport during the war, some inside Croatia, others outside, to save their careers and promote their country. To show the Serbs, Stimac said, "that football was still alive, that we were still alive."

"I think we are much stronger now on the field after what we've been through," Stimac said. "There is nothing to be afraid of now on the green pitch."

Bergkamp Seals It For the Netherlands

A Temper Tantrum Costs Argentina Dearly

By Anne Swardson
Washington Post Service

MARSEILLE — In the brilliant golden light of Mediterranean France, the Netherlands beat Argentina, 2-1, in a World Cup quarterfinal Saturday, with Dennis Bergkamp's masterpiece of a goal in the 90th minute off a 60-yard pass from defender Frank de Boer.

The Netherlands — which never has won the championship — will make its first World Cup semifinal appearance in

NETHERLANDS 2, ARGENTINA 1

20 years in Marseille on Tuesday against four-time champion Brazil, which eliminated the Netherlands in a 1994 quarterfinal.

Argentina goes home chastened and tired, four days after it defeated England on penalty kicks after a grueling, 120-minute overtime match. Coach Daniel Passarella blamed the loss on fatigue.

Perhaps, but it was worsened and hastened by an act of temper by one of the team's stars, midfielder Ariel Ortega. In the 58th minute, with the score tied at 1-1 and the Dutch down to 10 players because of defender Arthur Numan's ejection in the 72d minute, Ortega faked a dive over Jaap Stam, the Dutch defender. As the referee reached for a yellow card, Ortega rose, ramming the top of his head against the jaw of the tall Dutch goalkeeper Edwin van der Sar, after van der Sar had left his goal, apparently to taunt. Ortega received a red card. Two minutes after he left the field Bergkamp conjured the winning goal.

Bergkamp ran onto a long pass by de Boer deep in Argentina's penalty area. He swiveled to his left, tricking defender Roberto Ayala, before beating Carlos Roa, the Argentine goalkeeper, with a ferocious, swerving shot. It was

Bergkamp's record 36th goal for the Dutch national team.

"I was very tired at the end of the match and I would have liked to have come off," Bergkamp said. "When Ortega was sent off, I told myself that I could continue a bit longer. You can't imagine a goal like that. It just happens."

"Before Numan's red card we thought we were going to win," said de Boer, the Dutch captain. "But when Ortega got his red card, I knew we were going to win."

If any team had been witness to the risks of on-field temper tantrums, it was Argentina. In its round-of-16 game, England midfielder David Beckham was ejected early in the second half for kicking Diego Simeone, Argentina's captain. Simeone also won a penalty for Argentina in that match when he collided with David Seaman, the English goalkeeper. On Saturday, Numan was sent off for tripping Simeone.

Numan's ejection, for receiving two yellow cards in the game, means he will miss at least the semifinal against Brazil, which will be without starting defender Cafu. Cafu received his second yellow card of the elimination rounds Friday.

The Dutch panned the Argentines back for long stretches. Midfielder Edgar Davids frequently won the ball back with powerful tackles as the Argentines tried to clear and then launched the next attack with tricky dribbling. Patrick Kluivert — who scored the first goal — appeared to be returning to form in his first start since his expulsion in the opening Dutch game.

"We know we are physically very strong," said the Dutch coach, Guus Hiddink. "We made good preparations in Switzerland."

The team's success also was inspired



Patrick Kluivert, left, and Pierre van Hooijdonk savoring the Dutch win.

by stomping, shrieking Dutch fans who outdid their Argentine counterparts in numbers, and in visual and aural intensity. Their bright T-shirts in orange, the national color, glowed iridescently. The Dutch are all bilingual; their fight songs in English included "He's Got the Whole World in His Hands" and "Oh Holland, We Love You."

During the postgame celebration, the Dutch players trotted across the field toward the stadium's largest section of orange shirts and hats as if they were moths drawn to a flame. Leaping the field's barrier, van der Sar saluted the crowd and was tossed a cascade of orange caps; he and other players put them on as they did a tour of the field.

Brazil Triumphs, but Denmark Goes Down Fighting

By Steven Goff
Washington Post Service

NANTES, France — A soccer match of the quality of Brazil's 3-2 quarterfinal victory over Denmark at deafening Stade de la Beaujoire comes around maybe once or twice during a World Cup. Its teams do not fear each other, its goals are sudden and elegant and at the

BRAZIL 3, DENMARK 2

end, regardless of the outcome, it leaves supporters from both countries roaring their appreciation.

It also has one of the sport's most accomplished figures praising its beauty.

"Brazil and Denmark have shown what a game in the World Cup should be," said the Brazilian coach, Mario Zagallo, 66, a player, coach or assistant for each of Brazil's record four cham-

pionship teams. "It was honest and open-minded. It was a very difficult victory, a victory of power and will, by a team that knew how to win but had a dignified Danish team to overcome."

The victory Friday put Brazil in the semifinal in Marseille on Tuesday against the Netherlands. But it took two goals by midfielder Rivaldo, two magnificent assists by forward Ronaldo and a few tense minutes at the finish to escape Denmark.

The Danes scared the life out of Brazil with goals at the beginning of each half. They went right at the Brazilians, just as their players and coach had boldly promised the day before, and never backed down. But with the match even at 2-2, Rivaldo scored on a 25-yard shot in the 60th minute for his third goal of the tournament.

"The team was fantastic — almost as good as the world champions," said Bo Johansson, Denmark's Swedish coach.

"It's always a shame to lose, but we should be proud of ourselves."

Denmark, a veteran squad huddling with confidence after routing Nigeria in the round of 16, took the lead with stunning quickness.

Ninety seconds had passed when Brian Laudrup charged into the penalty area and passed back to Martin Jorgensen, who smashed the ball between the near post and goalkeeper Claudio Taffarel.

Shaken, Brazil finally found a rhythm. In the 11th minute, Ronaldo drew Denmark's attention 40 yards from the net and slotted a wonderful pass to Bebeto making an undetected diagonal run. Holding off a late challenge, Bebeto delivered a low shot out of the long reach of the goalkeeper Peter Schmeichel.

The early goal could not have come at a better time for Bebeto, 34, who has been subjected to severe fan and media

scrutiny for his subpar play and apparent inability to mesh with Ronaldo. But for one fine moment, they formed a perfect pair, and celebrated with a joyous hug.

Fifteen minutes later, Ronaldo was at it again as a playmaker. He pushed a pass into the penalty area, where Rivaldo met it in stride. With Bebeto on his right serving as a shield, Rivaldo had a clear path to the goal. Schmeichel went low, so Rivaldo chipped it over him for a 2-1 lead.

Just after half-time, Denmark equalized with a goal from Brian Laudrup.

But Brazil kept its composure and patiently waited for its next opportunity. It came in the 60th minute, although it did not appear to be much of an opportunity at all. Given a wealth of land far from the net, Rivaldo pushed the ball forward before unleashing a hard, left-footed shot that streaked inches from Schmeichel's gloved left hand before settling in the lower right corner.

Red Card on Germany Sets Off 3-Goal Croatian Burst

By Jere Longman
New York Times Service

LYON — Late in the first half, Croatia's players began making the sign of the cross, putting their hands together prayerfully and looking upward, as if they felt divine intervention would be necessary to defeat mighty Germany in their first trip to the World Cup.

But it was a more earthly arbiter — the Norwegian referee Rune Pedersen — who made the most critical decision

CROATIA 3, GERMANY 0

in Saturday night's quarterfinal match that produced a stunning 3-0 victory for Croatia and set up an unexpected semifinal meeting with France on Wednesday.

In the 40th minute of a scoreless game that Germany was dominating but which was becoming increasingly contentious, Pedersen gave a red card to the German defender Christian Worns for a late, violent tackle on Davor Suker as Croatia's star forward headed toward the German penalty area. It was not the only vicious foul among the 54 called, but it changed the course of the game irrevocably.

Forced to play with 10 men for the final 50 minutes, Germany, a three-time World Cup champion, suffered its largest defeat since a meaningless 8-3 loss to Hungary in the first round of the 1954 World Cup. For the second consecutive time, Germany has exited the World Cup in the quarterfinal round.

There were no comebacks for Germany on Saturday, as there had been against Yugoslavia and Mexico. For the fourth consecutive game, Coach Berti Vogts' team failed to score in the first half. Age, and the disputed red card, finally overcame Germany's relentlessness.

Croatia, meanwhile, became the first team since Portugal in 1966 to reach the semifinals on its first trip to the World Cup. Its players are not exactly rookies, however. Four of them played for a united Yugoslavia in the 1990 World Cup, and the roster stocks some of Europe's top club teams.

But there is no diminishing Saturday night's achievement. Croatia is second only to Jamaica among the 32 teams in the tournament in terms of smallness of its population, with 4.7 million residents. That compares to 6.2 million registered soccer players in Germany.

"We're very happy with this victory; it's a historical result," said Miroslav Blazevic, the Croatian coach. "A Croatian team has never achieved anything this important."

Defender Dario Simic said: "It is a big, big, big, big, big victory for us. It's a dream. We're a small country. Right now, it's incredible what we've done."

Croatia and Germany enjoy a complicated relationship and a brief, but ill-tempered, soccer history. Croatia's Ustashe regime was a Nazi puppet in World War II, and Germany, along with the Vatican, was the first nation to recognize Croatia's independence from Yugoslavia in 1992.

"There is nothing sweeter than to defeat your friends," Blazevic said before the game.

Blazevic had called for revenge for a dyspeptic match between the two teams in the 1996 European championships, in which the Croatian defender Robert Jarni was ejected and Germany prevailed, 2-1, in the quarterfinals.

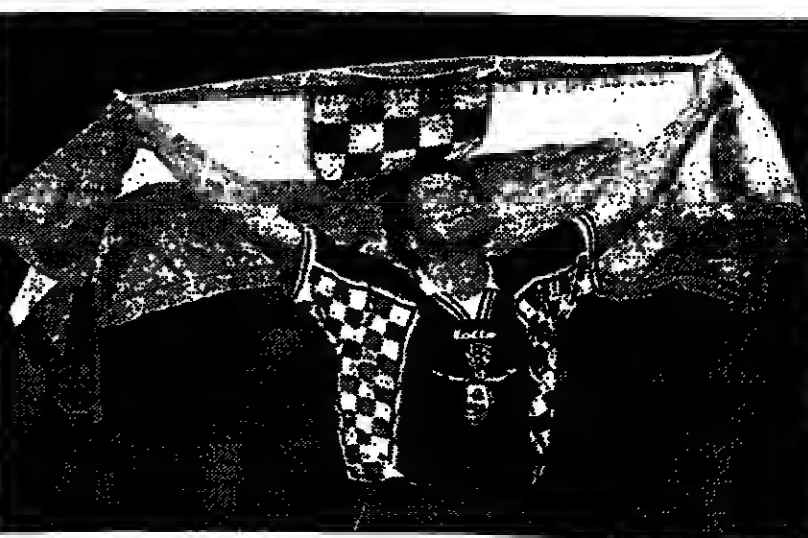
Saturday night, it was Germany that was stung by a red card in the 40th minute when Worns, with no hope of playing the ball, took out the legs from Suker. Pedersen issued a red card.

For the first 32 minutes, Croatia did not even manage a shot on goal, while Germany streamed down the flanks and threatened constantly. But, with Worns out, Germany visibly deflated.

"The first 30 minutes were the best performance by the German team," said Jurgen Kohler, a German defender. "I don't think the sending-off was fair. I think we have to say the referee lost the game, not our team."

As the first half extended into three minutes of time added by the referee for delays and injuries, Germany's short-handed defense displayed inevitable vulnerability. Mario Stanic, the Croatian midfielder, cleverly pushed the ball to his left to the area vacated by Worns, where Jarni was waiting. Jorg Heinrich closed in, but the German midfielder could do was turn his back as Jarni unleashed an accurate drive that bounced once, just in front of the diving Andreas Kopke, and slammed into the right corner of the net from 25 yards out.

Croatia scored again on a counter-attack rocket by Goran Vlaovic in the 80th minute. If that was not dispiriting enough for the Germans, Suker put a shot through the legs of goalie Andreas Kopke in the 85th minute.



Davor Suker waving the Croatian flag after his team defeated Germany.

Archly, the Croatian players note that they are still in the World Cup, while Yugoslavia was eliminated in the second round.

Blazevic has been telling his players since the 1996 European championships that they were the best in the

The Drama Of Being a Soccer Fan (For a Day)

By George Vecsey
New York Times Service

MARSEILLE — Don't twitch, my wife warned me. Was it that obvious? My legs were jerking under the table, but I thought I was controlling my arms and face.

We were sitting in a café in Aix-en-Provence on Friday afternoon, watching the Italy-France game on television.

VANTAGE POINT

There is not a team in North America that could cause me to root, but every four years or so I owe it to myself to feel like a fan.

People care so much about these games, some of them stinkers, some of them classics.

I had Friday afternoon off, and I was sitting in the Belle Epoque café in Aix, under the row of trees in that ancient southern town, surrounded by French people, all rooting for their national team. The stereotype has been that the French are too blasé to care about the World Cup, but I have seen television flickering in apartments above the silent streets whenever Les Bleus were playing.

The French soccer fans have decades of disappointment to exorcise, in relation to the Italians, the Germans, the Brazilians, the Argentines. Friday was their day to hope. "Don't root, they'll kill you," my wife whispered.

Kill me? They're already trying to kill me, with all the cigarettes they smoke in public. I will never understand how a people that cares so much about good food and tasteful clothing will stink up the air — and the food, and the clothing. But the brutal pollution was not why my twitching body was rooting for Italy. It's nothing personal; nothing ethnic, nothing nationalistic. It's just that all season long for nearly a decade I have been watching the Italian league on television in New York on Sunday mornings. These are my ragazzi, my boys.

Particularly Roberto Baggio. I have been following the soap opera of the, introverted little attacker, his great moments and his slumps, his fans and his critics, his mother's sadness at his conversion to Buddhism, the ponytail that came and went, the coaches who benched him in favor of legs who had nothing going for them other than size.

I never understand coaches who fight against the concept of talent. Don't they see what Baggio does with the ball, with his mind? Fortunately, the Italian coach, Cesare Maldini, is a large, secure man who had enough courage to call Baggio back to the national team, and then save him for appropriate moments.

The fans in the café roared as France came out on attack, but it was clear that these players, who respect each other so much from the Italian league, were afraid to make a mistake. Maldini sent in Demetrio Albertini. ("I don't like this guy, he's a soft player," I whispered to my wife.) Then Maldini sent in Baggio. ("Watch the game change," I whispered.)

For the first time all day, Italy seemed to have a clue — five or six touches in a row, the ball swinging from side to side. The café grew quiet, but the game was scoreless after 90 minutes. I owed it to my wife to get her out of this smoky pit. We went back to our hotel room, and now I was able to throw every extremity into motion, personally pushing the ball forward for Italy.

You could see Baggio's moment coming. On the run down the right side, he caught a pass, from Albertini, on the outside of his right foot, a skill so exquisite that I pity the Americans who cannot comprehend it. In full stride, Baggio unloaded a moderately hard shot that whistled just wide to the left. I lay on the bed and kicked my legs in the air. It was Italy's best and last shot.

I had no hope for a shoot-out because it is just a roll of the dice. I just wanted Baggio to make his penalty kick. He nailed it, but Albertini missed and Luigi Di Biagio missed, and the World Cup was over for my ragazzi.

Outside in the streets of Aix, those dispassionate French fans were honking horns and cheering. I turned up the television and shook my fists to the heavens and I yelled, "Aaaaaaargh!" So this is what it's like to be a fan.

APR 11 2000

SPORTS

Third Time Lucky for Novotna

Finally, at Wimbledon, No Need for a Royal Shoulder to Cry On

By Jennifer Frey
Washington Post Service

WIMBLEDON, England — Jana Novotna did not wait for the Duchess of Kent's shoulder this time. A two-time Wimbledon women's singles runner-up, Novotna hit a forehand past Nathalie Tauziat to win the final point of the Wimbledon women's singles final, raised her arms in the air and then, overwhelmed, covered her face as her shoulders shook with sobs of joy.

With the duchess on hand Saturday to present the coveted Rosewater Dish to the winner, Novotna had found redemption on Centre Court, beating Tauziat, 6-4, 7-6 (7-2), to win her first Grand Slam title at age 29.

And, five years after she wept tears of defeat on the duchess's shoulder, Novotna allowed herself only a brief outpouring of relief before she pulled herself together and began a gleeful celebration.

Mouthing the words, "I don't believe it!" Novotna climbed over the tarpaulins at the edge of the court, scampered up a set of stairs and crawled into the friends and family box, where she fiercely embraced her mother, her hitting partner and her coach, Hana Mandlikova, the four-time Grand Slam tournament champion to whom Novotna dedicated her triumph.

"I think I always said that winning one Grand Slam would mean so much to

me," Novotna said. "And winning Wimbledon, I guess it means everything, really. This is what I have been working for for many, many years, and this is definitely a dream come true."

After returning to the court, Novotna eagerly waited for the presentation of the silver salver she touched, longingly, after Steffi Graf beat her in 1993 and Martina Hingis beat her last year. Before taking it in her arms, though, Novotna grasped the duchess's hands tightly as the two women talked for nearly a minute.

"What was the big thing?" the duchess teased Novotna. "I told you last year that if you make it to the finals for the third time, it will be third-time lucky."

In 1993, Novotna suffered one of the most incredible defeats in Wimbledon finals history when she blew a 4-1, third-set lead to Graf. She leaned on the duchess for comfort that day and the duchess has been a fan ever since. She comforted Novotna again last summer — telling her she'd be "third-time lucky" — and she appeared to be quite happy handing the winner's prize to Novotna.

Most observers expected this appearance in the final to finally provide relief for Novotna, particularly after she played brilliantly to beat Hingis, the top seed, in the semifinals Thursday.

Novotna, however, wasn't so sure. Terrified that Tauziat's serve-and-volley game would give her trouble, she

and Mandlikova sat down Friday night and studied Tauziat's semifinal victory over Natasha Zvereva.

"I felt that we both really felt it was our chance, that we have a great opportunity to win this Grand Slam," said Novotna, who knew that Tauziat, one year her senior, had not won a Grand Slam title either. "I knew that this would probably be the toughest match of the whole championship, really. I felt like the match against Martina was a piece of cake compared to this one, believe me."

Under a dark, heavy sky, both players started the match showing nerves and both played far from their best tennis throughout the afternoon. Novotna managed to take the first set and break Tauziat in the first game of the second, but never appeared to gain much confidence.

One of the most nerve-wracking games for Novotna was the second of that set, when she double-faulted to lose the first two points — the second double-fault coming on a serve that was long by more than 12 feet. The serve was reminiscent of a double-fault Novotna suffered in her 1993 collapse to Graf, and it was hard for those who remembered it not to think, "Oh, no, not again."

Even Novotna was worried. "This is really wonderful," she thought to herself. "How are you going to win Wimbledon without your serve?"

Somehow, she managed — but not



Jana Novotna displaying the winner's trophy at Wimbledon after her victory Saturday over Nathalie Tauziat.

without a few more bouts with nerves.

Playing in what will be their final season as doubles partners, Jacco Eltingh and Paul Haarhuis of the Netherlands accomplished their fantasy: They won the Wimbledon men's doubles title, giving them victories in all

four Grand Slam events.

The top seeds, Eltingh and Haarhuis had to fend off a fierce challenge by the Australian duo of Todd Woodbridge and Mark Woodforde, who had won a record-tying five consecutive Wimbledon men's doubles titles. The Dutch-

men won the match, 2-6, 4-6, 7-6 (7-3), 5-7, 10-8, as dusk descended Saturday on Centre Court.

Woodbridge backhanded the final point into the net as Eltingh, who plans to retire at the end of this year, raised his arms in celebration.

Chicago Wins Pitchers' Duel Between 2 Newcomers, 3-0

John Snyder scattered five hits over 7 1/2 innings to outduel South Korean newcomer Jin Ho Cho and notch his first major-league victory as the Chicago White Sox beat the Boston Red Sox, 3-0, in Boston.

Snyder (1-0), making his first career start and second appearance, struck out seven and walked one Saturday. His performance over-

shadowed the debut of Cho (0-1), who was promoted from Double-A Trenton before the game.

He gave up one run and six hits in six-plus innings but failed to get any run support from the Red Sox. Cho had been 3-0 with a sparkling 0.97 earned run average with Trenton.

Nomar Garciaparra finished 0-for-2 with two walks to end baseball's longest hitting streak of the season at 24 games.

Yankees 6, Orioles 4 In New York, the high-flying Yankees took advantage of a doubtful umpiring call to preserve a victory over the Baltimore Orioles.

The victory gave the Yankees 60 victories through 80 games tying the major league record shared by the 1902 Pittsburgh Pirates and 1907 Chicago Cubs, who also went 60-20 in their first 80 games.

Closer Mariano Rivera, trying to protect the 4-3 lead, benefited from a controversial call by third-base umpire Marty Foster.

With men on first and second and none out, Chris Hoiles tried a sacrifice, but Rivera pounced on the ball and fired to third baseman Scott Brosius, who dropped the throw. Foster, positioned behind Brosius, ruled he had held it long enough.

Rangers 9, Mariners 2 In Arlington, Texas, Ivan Rodriguez had four hits and drove in four runs, and Aaron Sele became the first 12-game winner in the American League as Texas routed Seattle after a rain delay of three and a half hours.

Athletics 6, Angels 3 In Anaheim, California, Mike Qvist struck out nine over 6 1/2 innings, and rookie All-Star Ben Grieve drove in three runs as Oakland handed the Angels their fourth straight loss.

Blue Jays 6, Devil Rays 0 In Toronto, Chris Carpenter pitched a four-hitter for his first shutout of the season and Carlos Delgado batted twice as the Blue Jays handed Dennis Springer, the Tampa Bay starter, his major league-worst 11th loss.

Tigers 4, Twins 2 In Minneapolis, Justin Thompson scattered eight hits over eight-plus innings for his sixth straight run victory as Detroit beat sputtering Minnesota.

Royals 5, Indians 3 In Kansas City, Pat Rapp became the Royals' first eighth-game winner, and Johnny Damon and Sal Fasano each had two hits and drove in two runs as Kansas City snapped Cleveland's three-game winning streak. Rapp allowed six hits over seven scoreless innings.



Orioles catcher Chris Hoiles, left, colliding with pitcher Arthur Rhodes, who catches popup against Yanks.

Padres' Record Crowd Sees 9-1 Triumph Over Rockies

Ken Caminiti went 3 for 3 with two doubles, a homer and five runs batted in as the Padres — playing before the largest crowd in team history — routed the Colorado Rockies, 9-1, in San Diego.

In his last eight games, Caminiti is hitting .536 (15 for 28) with six doubles and two homers.

Mark Langston (3-1) ran his scoreless innings streak to 15 1/2 and struck out five

Cubs 5, Pirates 4 In Chicago, Mickey Morandini hit a two-run homer and Henry Rodriguez added a two-run single in a four-run seventh inning as the surging Cubs rallied for their fourth straight victory.

Dodgers 9, Giants 5 In San Francisco, Raul Mondesi had four hits and drove in three runs and Dave Mickel survived five shaky innings to stay unbeaten for the Dodgers as Los Angeles snapped the Giants' three-game winning streak.

Reds 5, Cardinals 4 In Cincinnati, Bret Boone's bouncer off the middle in the bottom of the ninth scored Barry Larkin with the winning run as the Reds topped reeling St. Louis.

After the game, the Reds traded closer Jeff Shaw to the Dodgers for infielder Paul Konerko and lefty Dennis Reyes.

Astros 7, Diamondbacks 4 In Houston, Brian Anderson allowed two runs over seven innings and Kelly Stinnett homered as Arizona snapped a three-game losing streak.

Marlins 3, Expos 2 In Montreal, Brian Edmondson allowed one run in 4 1/2 innings of relief and Todd Zeile had three hits as Florida won a matchup of the bottom two teams in the National League East.

Phillies 6, Brewers 5 In Philadelphia, Desi Relaford's two-out single in the bottom of the ninth scored Kevin Seifert with the winning run against Milwaukee.

SCOREBOARD

BASEBALL

MAJOR LEAGUE STANDINGS

AMERICAN LEAGUE

EAST DIVISION

	W	L	Pct.	GB
New York	50	20	.709	—
Boston	41	29	.585	9 1/2
Toronto	45	35	.562	13 1/2
Baltimore	38	42	.475	20 1/2
Tampa Bay	34	46	.425	25 1/2

CENTRAL DIVISION

	W	L	Pct.	GB
Cleveland	43	37	.538	—
Minnesota	39	41	.488	4 1/2
Kansas City	38	42	.475	5 1/2
Chicago	35	45	.438	8 1/2
Detroit	34	46	.425	9 1/2

WEST DIVISION

	W	L	Pct.	GB
Seattle	49	34	.590	—
Oakland	47	36	.567	2 1/2
San Francisco	40	43	.482	7 1/2
Los Angeles	37	46	.443	10 1/2
Arizona	37	46	.443	10 1/2

NATIONAL LEAGUE

EAST DIVISION

	W	L	Pct.	GB
Atlanta	50	20	.709	—
New York	48	22	.686	2 1/2
Florida	42	38	.525	8 1/2
Philadelphia	31	50	.383	19 1/2

CENTRAL DIVISION

	W	L	Pct.	GB
St. Louis	47	33	.588	—
Chicago	42	38	.525	5 1/2
Minnesota	41	39	.513	6 1/2
St. Louis	40	40	.500	7 1/2
Pittsburgh	38	42	.475	9 1/2
Cincinnati	30	50	.375	17 1/2

WEST DIVISION

	W	L	Pct.	GB
San Diego	46	34	.575	—
San Francisco	43	37	.538	3 1/2
Los Angeles	43	37	.538	3 1/2
Colorado	37	43	.463	9 1/2
Arizona	30	50	.375	17 1/2

PACIFIC LEAGUE

	W	L	Pct.	GB
Seattle	49	34	.590	—
Oakland	47	36	.567	2 1/2
San Francisco	40	43	.482	7 1/2
Los Angeles	37	46	.443	10 1/2
Arizona	37	46	.443	10 1/2

NATIONAL FOOTBALL LEAGUE

	W	L	T	Pct.	GB
Atlanta	5	0	0	1.000	—
San Francisco	4	0	0	.800	—
San Diego	3	0	0	.600	—
Los Angeles	2	0	0	.400	—
Arizona	1	0	0	.200	—

NATIONAL HOCKEY LEAGUE

	W	L	T	Pct.	GB
San Jose	10	0	0	1.000	—
San Jose	9	0	0	.900	—
San Jose	8	0	0	.800	—
San Jose	7	0	0	.700	—
San Jose	6	0	0	.600	—

NATIONAL TENNIS LEAGUE

	W	L	T	Pct.	GB
San Jose	10	0	0	1.000	—
San Jose	9	0	0	.900	—
San Jose	8	0	0	.800	—
San Jose	7	0	0	.700	—
San Jose	6	0	0	.600	—

NATIONAL BASKETBALL LEAGUE

	W	L	T	Pct.	GB
San Jose	10	0	0	1.000	—
San Jose	9	0	0	.900	—
San Jose	8	0	0	.800	—
San Jose	7	0	0	.700	—
San Jose	6	0	0	.600	—

NATIONAL VOLLEYBALL LEAGUE

	W	L	T	Pct.	GB
San Jose	10	0	0	1.000	—
San Jose	9	0	0	.900	—
San Jose	8	0	0	.800	—
San Jose	7	0	0	.700	—
San Jose	6	0	0	.600	—

NATIONAL SOCCER LEAGUE

	W	L	T	Pct.	GB
San Jose	10	0	0	1.000	—
San Jose	9	0	0	.900	—
San Jose	8	0	0	.800	—
San Jose	7	0	0	.700	—
San Jose	6	0	0	.600	—

NATIONAL HOCKEY LEAGUE

	W	L	T	Pct.	GB
San Jose	10	0	0	1.000	—
San Jose	9	0	0	.900	—
San Jose	8	0	0	.800	—
San Jose	7	0	0	.700	—
San Jose	6	0	0	.600	—

NATIONAL TENNIS LEAGUE

	W	L	T	Pct.	GB
San Jose	10	0	0	1.000	—
San Jose	9	0	0	.900	—
San Jose	8	0	0	.800	—
San Jose	7	0	0	.700	—
San Jose	6	0	0	.600	—

NATIONAL BASKETBALL LEAGUE

	W	L	T	Pct.	GB
San Jose	10	0	0	1.000	—
San Jose	9	0	0	.900	—
San Jose	8	0	0	.800	—
San Jose	7	0	0	.700	—
San Jose	6	0	0	.600	—

NATIONAL VOLLEYBALL LEAGUE

	W	L	T	Pct.	GB
San Jose	10	0	0	1.000	—
San Jose	9	0	0	.900	—
San Jose	8	0	0	.800	—
San Jose	7	0	0	.700	—
San Jose	6	0	0	.600	—

NATIONAL SOCCER LEAGUE

	W	L	T	Pct.	GB
San Jose	10	0	0	1.000	—
San Jose	9	0	0	.900	—
San Jose	8	0	0	.800	—
San Jose	7	0	0	.700	—
San Jose	6	0	0	.600	—

NATIONAL HOCKEY LEAGUE

	W	L	T	Pct.	GB
San Jose	10	0	0	1.000	—
San Jose	9	0	0	.900	—
San Jose	8	0	0	.800	—
San Jose	7	0	0	.700	—
San Jose	6	0	0	.600	—

NATIONAL TENNIS LEAGUE

	W	L	T	Pct.	GB
San Jose	10	0	0	1.000	—
San Jose	9	0	0	.900	—
San Jose	8	0	0	.800	—
San Jose	7	0	0	.700	—
San Jose	6	0	0	.600	—

NATIONAL BASKETBALL LEAGUE

	W	L	T	Pct.	GB
San Jose	10	0	0	1.000	—
San Jose	9	0	0	.900	—
San Jose	8	0	0	.800	—
San Jose	7	0	0	.700	—
San Jose	6	0	0	.600	—

NATIONAL VOLLEYBALL LEAGUE

	W	L	T	Pct.	GB
San Jose	10	0	0	1.000	—
San Jose	9	0	0	.900	—
San Jose	8	0	0	.800	—
San Jose	7	0	0	.700	—
San Jose	6	0	0	.600	—

NATIONAL SOCCER LEAGUE

	W	L	T	Pct.	GB
San Jose	10	0	0	1.000	—
San Jose	9	0	0	.900	—
San Jose	8	0	0	.800	—
San Jose	7	0	0	.700	—
San Jose	6	0	0	.600	—

NATIONAL HOCKEY LEAGUE

	W	L	T	Pct.	GB
San Jose	10	0	0		

WORLD ROUNDUP

Carter Wins Playoff

GOLF David Carter beat Colin Montgomerie in a playoff Sunday to win the Irish Open in Wicklow. Carter won his first European Tour title the hard way. He led by four shots at the turn but allowed Montgomerie to catch up. Carter seemed to have handed Montgomerie victory when he found the water at the 18th, but then sank a 20-foot putt to force a playoff. Both players finished with six-under-par 278. Montgomerie carded a three-under 68 to Carter's 71.

The 18th was the first playoff hole. Carter found the green in two, but Montgomerie hit his second shot into the lake short of the green. (Reuters)

• Korean rookie Se Ri Pak fired a four-over-par third round of 75 to lead the U.S. Women's Open on Saturday as the players struggled in high winds at the Blackwolf Run course in Kohler, Wisconsin.

Pak, complete 54 holes at one-over 214. Sweden's Liselotte Neumann who shot 75, and Mhairi McKay of Scotland, who equaled the best round of the day with a 73 were one shot back. (AFP)

Captain Fights Back

CRICKET Captain Alec Stewart, who finished 114 not out, and former captain Michael Atherton, 81 not out, added 200 runs Sunday as England fought to avoid defeat in the third test against South Africa. England was bowled out in its first innings for 183, 369 runs behind. Then lost two second-inning wickets for 11 runs. (Reuters)

Springboks Beat England

RUGBY UNION South Africa slogged their way to an 18-0 victory over England in the mud and rain at Cape Town on Saturday.

Joost van der Westhuizen and Stefan Terblanche scored the only tries. England defended stoutly but never remotely looked like scoring a try. (Reuters)

Bugner Takes World Title

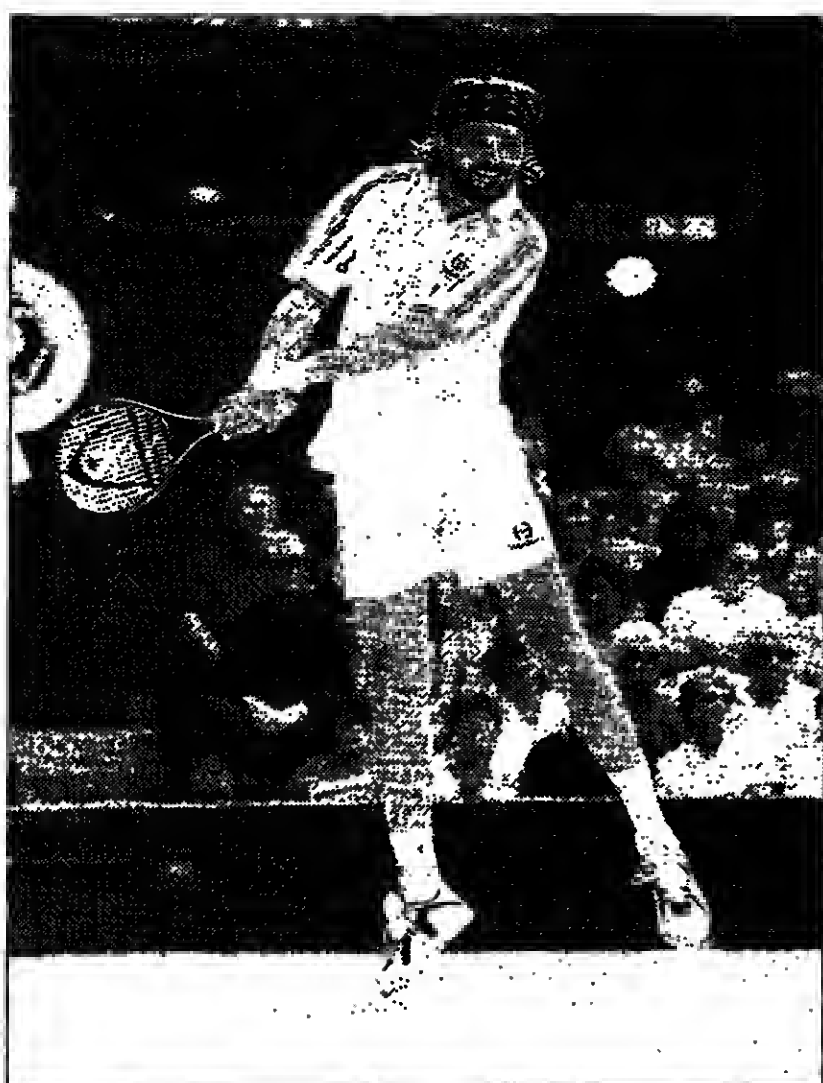
BOXING Joe Bugner, a 48-year-old grandfather, won a world championship, of sorts, when his opponent, James "Boocruiser" Smith, 45, dislocated a shoulder throwing his first punch of a World Boxing Federation title bout. Smith, a former World Boxing Association heavyweight champion, retired after the first round.

"The very first punch that landed, it got Joe in trouble," said Smith. "It just so happened it got me in trouble, too."

Twenty-three years after losing 60 points to Muhammad Ali in his only other shot at a world title, Bugner was finally a world champion.

Fight promoter Andrew Habersfield said he had talked with the Mike Tyson's representative about a fight with Bugner. (Reuters)

Sampras Captures His 5th Victory at Wimbledon



Goran Ivanisevic on his way to defeat Sunday by Pete Sampras.

Ivanisevic Becomes a Loser - for the 3d Time

By Jennifer Frey
Washington Post Service

WIMBLEDON, England — Pete Sampras considers Center Court at Wimbledon as familiar, and as comfortable, as his favorite practice court back home in Florida. He always seems to rise to the occasion, no matter the opponent, no matter the circumstances, no matter the current state of his game. Sunday was no different.

Facing his most difficult challenge in this, his fifth Wimbledon final, Sampras battled his way to a 6-7 (2-7), 7-6 (11-9), 6-4, 3-6, 6-2 victory over Goran Ivanisevic, who became a third-time Wimbledon loser, and collapsed into his court-side chair looking like an empty husk.

The victory tied Sampras with Bjorn Borg with most Wimbledon titles in the open era. Each has five. The victory tied

Novotna wins final. Page 19.

him with both Borg and Rod Laver for second-most Grand Slam titles at 11. At 26, and with what he calls "a few good years left in me," Sampras needs only one more Grand Slam title to tie the Roy Emerson for the most in history.

"All Wimbledon is very, very sweet," said Sampras, who had not won a major title since his victory here last year. "It is a little bit overwhelming to have won five, and to be a couple from the record. It's really hard to talk about. It's a little overwhelming to think of myself in those terms."

Sampras broke into a broad smile after he broke Ivanisevic to take the final game. And though he did not cel-

brate wildly — Sampras never does — he looked almost giddy as he sat in his chair and waited for the trophy presentation, grinning up at his girlfriend, Kimberly Williams, and his coach, Paul Annacone, all the while.

Across the way, in the other chair, Ivanisevic sat with a towel over his head, unmoving, his body a portrait of heartache. Tournament referee Alan Mills had to nudge him to go up and receive the runner-up planter from the Duke of Kent, and, when he did, Ivanisevic looked as if he didn't want to touch the dish, let alone take it home.

"It feels bad," Ivanisevic said later. "I cannot describe it. It's the worst moment in my life."

The five-set final was the first in a Grand Slam since Sergi Bruguera beat Jim Courier at the 1993 French Open, and it was first here at Wimbledon since Andre Agassi beat Ivanisevic in 1992 to give the 26-year-old Croatian the first of his three Wimbledon title defeats. The other came to Sampras in 1994, but that match was nothing compared to this one.

"Compared to all the Wimbledon I've played this is by far the toughest," said Sampras, who beat Ivanisevic in straight sets last time. "I'm sure this one is going to sit with both of us, you know, this match, and I'm sure he's frustrated. I would be frustrated if I was in his shoes."

Ivanisevic won the first set in a tie break. Then, during the crucial second-set tiebreak, the two players traded set-point opportunities — Ivanisevic failing to convert first, then Sampras, then Ivanisevic, then Sampras again. And Sampras, terrified, felt the match slipping away.

"God," Sampras said he thought to

himself. "This could be Goran's year."

But Sampras hit a huge serve that Ivanisevic could only touch on his thin set-point, and rolled toward victory in the next set as Ivanisevic agonized over the two backhands he missed on his set-point chances. Still, Ivanisevic refused to give in.

Ivanisevic's serve was a roller-coaster, with 32 aces and 20 double-faults, and he rode it to force the fifth set.

Once he got there, though, Ivanisevic discovered he had nothing left. "My legs were not fresh like I was supposed to be," he said. "That fifth set against Richard Krajicek cost me this final today."

For once, the hot-tempered Ivanisevic was able to keep his head about him. The same could not be said for his legs. Tired from the 28-game fifth set he had to play to win his semifinal on Friday, Ivanisevic was slower to the net in the fifth set, and, as a result, Sampras passed him with greater and greater ease. Ivanisevic was broken in the sixth game of the set, then broken again, at love, to lose the match.

The Wimbledon fans, who had been thrilled to see Jana Novotna, another two-time finalist, lose, take the women's trophy here Saturday, clearly had a soft spot for Ivanisevic. They urged him, unsuccessfully, to take a lap with his runner-up planter, and cheered when he lifted a limp arm to wave good-bye on his way off the court. Nothing, though, could cheer up Ivanisevic. He may have arrived wearing a Croatian soccer jersey and a huge grin, but he left wearing a look of despair.

"I cannot cheer anybody now," he said. "I can only kill myself. Now I'm not good for anybody."

A Substitute's Dream Ends in an Instant on the Training Field

International Herald Tribune

PARIS — The substitute in soccer waits for another man's misfortune to get his chance.

For Winston Bogarde, the big Dutch reserve left back, Saturday brought the joy of hope the minute that Arthur Numan, who wears the shirt he wants, was sent off for a second yellow card foul against Argentina. You could sense, almost see, Bogarde saying to himself, "If we get through, when we get through, that place is mine."

Come Sunday morning, Bogarde's training

Bergkamp Seals Dutch Victory, Page 18.

down on the southern coast no doubt had that extra snap of expectation, that confidence that he, as the Dutch team's only real specialist alternative to the suspended Numan, was so very close to Tuesday's semifinal against Brazil in Stade Velodrome, Marseille. At 28 years of age, this is what you wait a sporting lifetime for.

There are some who said that Bogarde, with his impetuous style, was what the Brazilians would want in opposition. That is cruel, but crueler still is what befell Bogarde at the end of Sunday's training session. He was just running for the ball, with no one within touching distance, when his studs

Vantage Point / ROB HUGHES

caught in the turf, his right leg went over the boot and, in a terrifying cracking of bone, a searing instant of pain, his World Cup was over before it had seriously begun. The lower leg was bent beneath him at a grotesque angle to the ankle and, though in all such cases a hospital diagnosis will be delayed until the swelling subsides, this huge athletic man, known as Mr. Tough, was in tears of pain and desperation before they carefully lifted him off the grass and into an ambulance.

The Barcelona defender, very much a loner, eating alone, sleeping alone and thinking alone, is now isolated in a hospital. Joy to despair in just a second, an act of no malice, no challenge even.

His World Cup had been confined to a quarter of an hour of undistinguished defending against Mexico, after which he had only the longing of the substitute to sustain his purpose here in France.

Numan and the others who performed against Argentina were already in the bus, leaving the training ground. For their bodies the only requirement on the morning after a victory was to gently shake the stiffness and tiredness out of their limbs, to soothe the soreness.

On that bus was Dennis Bergkamp, who was at

the other extreme of soccer's unrelenting ups and downs after his quintessential winning goal the day before. When he ran for the pass from Frank de Boer, a pass in itself a practiced masterpiece of Dutch art, Bergkamp still had work to do.

Bergkamp, with three deft touches of his right foot, brought the ball under his spell, dabbled it the other side of defender Roberto Ayala, and then placed it past the exposed Argentina goalkeeper.

Before that, Bergkamp had been an embarrassment to his own high standards. True, he had created his team's earlier goal for Patrick Kluivert, with a header few would have had the vision or timing to deliver. But he was tiring sadly, he was laboring and he was thinking along with others in the stands: How off-form does a man have to be before the coach replaces him with a substitute?

"Gus Hiddink must take him off!" said a follower of the Dutch team.

"No way," responded Ron Gollit, the former Dutch captain who was in the stands. "Dennis can't play this badly without producing just one or two great moments, and that can win you the game."

Great minds think alike. "I had only two moments in the whole game," said a relieved Bergkamp, "and they were significant moments."

The difference, in fact, between going home

unfulfilled or going on to a chance to avenge a 3-1 loss in Dallas where the Brazil-Netherlands match was by some way the finest contest of the 1994 World Cup.

We might dream now, with Brazil defending vulnerably but willing to concede all pretenses to its crown, for such a match the Tuesday's semifinal. Maybe it is not such a dream because, apart from the scoreless draw between France and Italy, the quarterfinals were thrilling adventures with mistakes punished, great goals scored and from Croatia the proof that little nations of great spirit and accomplished technical skills can field 11 players to take on the world.

It will be no consolation to Bogarde, but the sport he plays has become beautiful at the very stage where the shadows of caution normally block out the light of adventure. He will watch, if he can bring himself to, the semifinal and the final either from the touchline or from a hospital bed. This is a man's game, with no time for the wounded, no sentiment for those who come as a reserve, who wait and hope and brave the call of fame.

Pain is private. Alas, poor Winston, the show must go on.

Rob Hughes is the Sports Correspondent of The Times of London.



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